



AREA 12 mi. SW Teec Nos Pos LEASE NO. Nav. N00-C-14-20-4436

WELL NAME            KENAI OIL & GAS 34-7 NAVAJO

ELEV 5969 GR 5982 KB SPUD DATE 1-24-81 STATUS Del Producing TOTAL  
COMP. DATE 3-21-81 ODEPTH 5639

CONTRACTOR West Wind

DRILLED BY ROTARY

DRILLED BY CABLE TOOL

## PRODUCTIVE RESERVOIR

INITIAL PRODUCTION

ELECTRIC LOGS	PERFORATED INTERVALS	PROD. INTERVALS	SAMPLE LOG
<i>Deep Induction Focus</i>			SAMPLE DESCRP.
<i>Comp. Versilog Comp Density</i>			SAMPLE NO. <i>1819</i>
			CORE ANALYSIS
			DSTs

REMARKS

APP. TO PLUG 5/16/83  
PLUGGING REP. 5/16/83  
COMP. REPORT

WATER WELL ACCEPTED BY

BOND CO. St. Paul Fire & Marine Ins. Co.

BOND NO. 400GA 0286

BOND AMT. \$ 5,000

CANCELLED 12-14-83

DATE 1-16-81.

## ORGANIZATION REPORT

FILING RECEIPT 1988

LOC. PLAT X

WELL BOOK X

PLAT BOOK X

API NO. 02-001-20248

DATE ISSUED 1-22-81

DEDICATION W/2 SE/4

PERMIT NUMBER 717

(over)

Form 9-331  
Dec. 1973

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or test on a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☒ gas ☐ other ☐

2. NAME OF OPERATOR

Kenai Oil and Gas, Inc.

3. ADDRESS OF OPERATOR

1675 Larimer, Suite 500, Denver, CO 80202

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)

AT SURFACE: 1100' FSL & 2050' FEL

AT TOP PROD. INTERVAL: same

AT TOTAL DEPTH: same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF ☐

FRACTURE TREAT ☐

SHOOT OR ACIDIZE ☐

REPAIR WELL ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPLETE ☐

CHANGE ZONES ☐

ABANDON\* ☐

(other) clean location ☐

SUBSEQUENT REPORT OF:

RECEIVED

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

NOV 14 1983

BUREAU OF LAND MANAGEMENT  
FARMINGTON RESOURCE AREA

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Location was cleaned of debris. The road was water barred from the drill site to the P & A Location 800' East of the drill site. Work was completed on November 3, 1983.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_

Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED John Alexander Agent DATE November 9, 1983

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_ DATE \_\_\_\_\_

APPROVED

\*See Instructions on Reverse Side

OPERATOR

DEC 02 1983  
R. B. MILLER  
M. MILLERBACH  
AREA MANAGER

Form 9-331  
Dec. 1973

RECEIVED

Form Approved  
Budget Bureau No. 42-R1424

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY O & G CONS. COMM.

KENAI OIL AND GAS INC.  
RECEIVED  
OPERATIONS DEPARTMENT

AUG 29 '83

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well ☒ gas well ☐ other ☐

2. NAME OF OPERATOR

Kenai Oil and Gas

3. ADDRESS OF OPERATOR

1675 Larimer St., STE 500 Denver, CO 80202

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)

AT SURFACE: 1100'/S & 3050'/E

AT TOP PROD. INTERVAL: same

AT TOTAL DEPTH: same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF ☐

FRACTURE TREAT ☐

SHOOT OR ACIDIZE ☐

REPAIR WELL ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPLETE ☐

CHANGE ZONES ☐

ABANDON\* ☐

(other) Clean location ☐

SUBSEQUENT REPORT OF:

RECEIVED

AUG 4 1983

U.S. GEOLOGICAL SURVEY  
WASHINGTON, D.C.

5. WELL NO.  
N00-C-14-20-4436

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Navajo

9. WELL NO.

34-7

10. FIELD OR WILDCAT NAME

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

S.7-7.40N-R.29E

12. COUNTY OR PARISH

Apache

13. STATE

Arizona

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

5981 DF

NOTE: Report results of multiple completion or zone change on Form 9-330.

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Be advised that the operator completed rehabilitation of the subject well on 7/12/83.

Subsurface Safety Valve: Manu. and Type

18. I hereby certify that the foregoing is true and correct

SIGNED John Alexander TITLE Agent

(This space for Federal or State)

APPROVED BY  
CONDITIONS OF APPROVAL, IF ANY:

TITLE

9/9/83  
John Keller (BLM)/Yvonne  
BLM people + BIA  
people have inspected  
well site. All parties  
have approved re-  
storations - but we  
must await final approval  
from BIA - he will let me  
know when approval is received

ACCEPTED FOR RECORD

\*See Instructions on Reverse Side

AUG 25 1983

FARMINGTON RESOURCE AREA

BY KJ

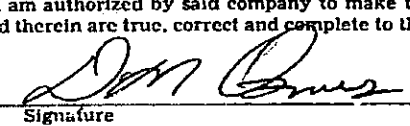
OPERATOR

P/N 717



RECEIVED

## PLUGGING RECORD

Operator Kenai Oil and Gas Inc.		Address 1675 Larimer, Suite 500, Denver, Colo. 80202			
Federal, State, or Indian Lease Number, or lessor's name if fee lease. N00-C-14-20-4436		Well No. 34-7	Field & Reservoir Wildcat - Black Rock Field		
Location of Well SWSE Section 7, T40N, R29E		Sec-Twp-Rge or Block & Survey County Apache			
Application to drill this well was filed in name of Kenai Oil and Gas Inc.	Has this well ever produced oil or gas Yes	Character of well at completion (initial production): Oil (bbls/day) 53 BOPD Gas (MCF/day) 47 Dry? --			
Date plugged: March 10, 1983	Total depth 5639'	Amount well producing when plugged: Oil (bbls/day) 0 Gas (MCF/day) 0 Water (bbls/day) 0			
Name of each formation containing oil or gas. Indicate which formation open to well-bore at time of plugging	Fluid content of each formation	Depth interval of each formation	Size, kind & depth of plugs used. Indicate zones squeeze cemented, giving amount cement		
Mississippian	3% oil 97% water	5562' - 5567'	None		
Casing Record					
Size pipe	Put in well (ft.)	Pulled out (ft.)	Left in well (ft.)	Give depth and method of parting casing (shot, ripped, etc.)	Packers and shoes
8 5/8" OD	635' KB	None			
4 1/2"	5638' KB	838	4800	shot	
Was well filled with mud-laden fluid, according to regulations?				Indicate deepest formation containing fresh water.	
NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE					
Name	Address			Direction from this well:	
N/A					
In addition to other information required on this form, if this well was plugged back for use as a fresh water well, give all pertinent details of plugging operations to base of fresh water sand, perforated interval to fresh water sand, name and address of surface owner, and attach letter from surface owner authorizing completion of this well as a water well and agreeing to assume full liability for any subsequent plugging which might be required.					
Use reverse side for additional detail.					
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>Production Manager</u> of the <u>Kenai Oil and Gas Inc.</u> (company) and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.					
May 2, 1983 Date		 Signature			
Permit No. _____		STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Plugging Record File One Copy Form No. 10			

RECEIVED

MAY 16 1983

APPLICATION TO PLUG AND ABANDON

FIELD Q & G CONS. COMM. Wildcat - Black Rock Field 80202  
OPERATOR KENAI OIL AND GAS INC. ADDRESS 1675 Larimer Suite 500 Denver, CO  
Federal, State or Indian Lease Number  
or Lessor's Name if Fee Lease NOO-C-14-20-4436 WELL NO. 34-7  
LOCATION SWSE Section 7, T40N, R29E

TYPE OF WELL Oil TOTAL DEPTH 5639'  
(Oil, Gas or Dry Hole)

ALLOWABLE (If Assigned)

LAST PRODUCTION TEST OIL 3 (Bbls.) WATER 97 (Bbls.)  
GAS NA (MCF) DATE OF TEST June 1982

PRODUCING HORIZON Mississippian PRODUCING FROM 5562' TO 5567'

1. COMPLETE CASING RECORD.

Surface casing, 8 5/8" OD - 635' KB  
Production casing, 4 1/2". 5638' KB

2. FULL DETAILS OF PROPOSED PLAN OF WORK.

Killed well with 9.4 lb./gal. mud. Pulled Baker Packer out of hole.  
Spot 25 cu. ft. cement at 5596 to 5316'. Spot 12 cu. ft. cement from  
4107 to 3973'. Spot 12 cu. ft. cement from 2951 to 2817'. Spot 12  
cu. ft. cement 2300 to 2166'. Shot casing and pulled free at 838'.  
Spot 118 cu. ft. cement from 890' to 507'. Spot 20 cu. ft. plug from  
50' to surface. Placed dry hole marker.

DATE COMMENCING OPERATIONS March 3, 1983

NAME OF PERSON DOING WORK \_\_\_\_\_ ADDRESS \_\_\_\_\_

Signature

Production Manager

Title Kenai Oil and Gas Inc.

80202

1675 Larimer Street - Suite 500, Denver, CO

Address

Date May 2, 1983

Date Approved \_\_\_\_\_  
STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION

By: R. G. yfana

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Application to Plug and Abandon  
File Two Copies

Form No. 9

Permit No. 717

4/82

# WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG

## DESIGNATE TYPE OF COMPLETION:

New Well ☒ Work-Over ☐ Deepen ☐ Plug Back ☐ Same Reservoir ☐ Different Reservoir ☐ Oil ☒ Gas ☐ Dry ☐

## DESCRIPTION OF WELL AND LEASE

Operator Kenai Oil and Gas Inc. Address 717 17th St./ Suite 2000, Denver, CO 80202

Federal State or Indian Lease Number or name of lessor if fee lease NOO-C-14-20-4436 Well Number 34-7 Field & Reservoir Wildcat RECEIVED

Location SWSE, 1100' FSL - 2050' FEL County Apache NOV 19 1981

Sec TWP-Range or Block & Survey Sec. 7, T40N-R29E O & G CONS. COMM.

Date spudded 1/24/81 Date total depth reached 2/14/81 Date completed, ready to produce 3/21/81 Elevation (DT, RKB, RT or Gr.) 5967' GR; 5981' KB Elevation of casing hd. flange feet

Total depth 5639' P.B.T.D. 5596' Single, dual or triple completion? Single If this is a dual or triple completion, furnish separate report for each completion.

Producing interval (s) for this completion 5,562-67' Mississippian Rotary tools used (interval) Yes Cable tools used (interval) No

Was this well directionally drilled? No Was directional survey made? No Was copy of directional survey filed? No Date filed

Type of electrical or other logs run (check logs filed with the commission) CDL/CN/GR; DIFL/GR; CBL Date filed 5/1/81

## CASING RECORD

Casing (report all strings set in well-conductor, surface, intermediate, producing, etc.)

Purpose	Size hole drilled	Size casing set	Weight (lb./ft.)	Depth set	Sacks cement	Am't. pulled
Surface	12 1/4"	8-5/8" OD	23#	635' KB	500sxs.	None
Prod.	7-7/8"	4 1/2"	10.5#	5638' KB	700sxs.	None

## TUBING RECORD

Size	Depth set	Packer set at	Size	Top	Bottom	Sacks cement	Screen (ft.)
2-3/8" in.	5515' ft.	ft.	in.	NONE ft.	ft.		

## LINER RECORD

Number per ft.	Size & type	Depth Interval	Am't. & kind of material used	Depth Interval
	3-1/8"-gun	5562-67'	NONE	

## INITIAL PRODUCTION

Date of first production 3/14/81 Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump:) Swab

Date of test 3/19/81 Hrs. tested 7 1/2 Choke size Open Oil prod. during test 53.6 bbls. Gas prod. during test 47.2 MCF Water prod. during test 10.2 bbls. Oil gravity 34° API (Corr)

Tubing pressure 45 Casing pressure 165 Cal'd rate of Production per 24 hrs. Oil 160.8 bbls. Gas 141.6 MCF Water 31 bbls. Gas-oil ratio 881

Disposition of gas (state whether vented, used for fuel or sold): Used for fuel

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager of Operations of the Kenai Oil and Gas Inc. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Date 11/13/81 Signature

Page No 717

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Well Completion or Recompletion Report and Well Log  
Form No. 4  
File One Copy



# DETAIL OF FORMATIONS PENETRATED

Formation	Top	Bottom	Description*
**Not Logged above 635'.			
	DEPTH	ELEVATION	
Chinle	1165'	+4817	
DeChelly	2247'	+3735	
Organ Rock	2675'	+3307	
Hermosa	4045'	+1937	
Ismay	4585'	+1397	
Desert Creek	4751'	+1231	
Molas	5360'	+ 622	
Mississippian (Limestone)	5432'	+ 550	
Mississippian (Dolomite)	5524'	+ 458	
Total Depth	5639'	+ 46	

\* Show all important zones of porosity, detail of all cores, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.

## INSTRUCTIONS:

Attach driller's log or other acceptable log of well.

This Well Completion or Recompletion report and well log shall be filed with the State of Arizona Gas Conservation Commission not later than thirty days after project completion.

Form No. 4

Mr. Doss

Attached is the  
gas analysis I  
recently spoke with  
you about from  
Kensi's well near  
Tee Nos Pos, Ariz.

THANKS,  
David Howell  
Kensi-  
Farmington, NM

COMPOSITIONAL HYDROCARBON ANALYSIS

7, 740N-29E  
RECEIVED

KENAI Oil, Inc.  
Navaho 34-7

NOV 2 1981

O & G CONS. COMPANY

Apache  
Arizona  
gas

MOL%	GPM
4.92	
76.45	
3.41	
11.10	
1.40	.4
1.41	.4
.22	trace
.50	.2
.15	trace
.17	trace
.27	.1
100.00	1.1

Calculated gross heating value:

223.1 BTU/Cu. Ft. dry gas @ 14.73 psia, 60°F.

219.3 BTU/Cu. Ft. saturated gas @ 14.73 psia, 60°F.

Calculated gas gravity: .926

SAMPLING CONDITIONS:

Sampled by: D. Howell  
Method: evacuated cylinder  
Cylinder number: 0040

Sampling date: 10/2/81  
Temperature: 60°F  
Pressure: 75 psig

Remarks:

ANALYSIS CONDITIONS:

Analyzed by: S. Sterling and G. Moberly  
Instrument: Perkin and Elmer Sigma II Chromatograph  
Temperature: 70°F

Remarks:

Continental  
Laboratories

location SW SE 7-40N-29E  
perforations 5562-67  
formation Miss. (dolomite)

717

# COMPOSITIONAL HYDROCARBON ANALYSIS

7,740N-29E  
RECEIVED

COMPANY: KENAI Oil, Inc.  
WELL NAME: Navaho 34-7  
FIELD:  
COUNTY: Apache  
STATE: Arizona  
TYPE SAMPLE: gas

NOV 2 1981

O & G CONS. COM

COMPONENT	MOL%	GPM
Helium	4.92	
Nitrogen	76.45	
Carbon dioxide	3.41	
Methane	11.10	
Ethane	1.40	.4
Propane	1.41	.4
Iso-butane	.22	trace
Normal butane	.50	.2
Iso-pentane	.15	trace
Normal-pentane	.17	trace
Hexanes plus	.27	.1
	100.00	1.1

Calculated gross heating value:

223.1 BTU/Cu. Ft. dry gas @ 14.73 psia, 60°F.

219.3 BTU/Cu. Ft. saturated gas @ 14.73 psia, 60°F.

Calculated gas gravity: .926

## SAMPLING CONDITIONS:

Sampled by: D. Howell  
Method: evacuated cylinder  
Cylinder number: 0040

Sampling date: 10/2/81  
Temperature: 60°F  
Pressure: 75 psig

Remarks:

## ANALYSIS CONDITIONS:

Analyzed by: S. Sterling and G. Moberly  
Instrument: Perkin and Elmer Sigma II Chromatograph  
Analysis date: 10/8/81  
Temperature: 70°F

Remarks:

Continental  
Laboratories

location SW SE 7-40N-29E  
perforations 5562-67  
formation Miss. (dolomite)

717

Form 9-331  
Dec. 1973

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

RECEIVED

OCT 5 1981

Form Approved.  
Budget Bureau No. 42-R1424

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well ☒ gas well ☐ other ☐

2. NAME OF OPERATOR  
Kenai Oil & Gas

3. ADDRESS OF OPERATOR 717 17th St.  
Energy Center One/Suite 2000, Denver, CO 80202

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 1100' FSL 2050' FEL (SWSE) ☒  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF ☐  
FRACTURE TREAT ☐  
SHOOT OR ACIDIZE ☐  
REPAIR WELL ☐  
PULL OR ALTER CASING ☐  
MULTIPLE COMPLETE ☐  
CHANGE ZONES ☐  
ABANDON\* ☐  
(other) Vent Gas ☒

SUBSEQUENT REPORT OF:

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RECEIVED

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

U. S. GEOLOGICAL SURVEY  
FARMINGTON, N. M.

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Request permission to vent gas on lease because:

Hydrocarbon content is too low to burn.

See attached analysis.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Raymond W. Vinyard TITLE Manager Production DATE 8/28/81

(This space for Federal or State office use)  
(Orig. Sgd.) RAYMOND W. VINYARD TITLE RAYMOND W. VINYARD DATE SEP 30 1981  
APPROVED BY \_\_\_\_\_ TITLE ACTING DISTRICT SUPERVISOR  
CONDITIONS OF APPROVAL, IF ANY:

~~FARMINGTON COPY~~  
Arizona O&G  
\*See Instructions on Reverse Side

NOTICE:

of the contents or results. Any user of this report agrees NATIONAL CEMENTERS CORP. shall not be liable for any loss or damage, regardless of cause, including any act or omission of NATIONAL CEMENTERS CORP., resulting from the use hereof.

# National Cementers Division Laboratory

National Cementers Corporation

7,40N-89E

RECEIVED

RECEIVED

No. GA-GJ-103-81

Date July 14, 1981

To: Kenai Oil & Gas Co.

717 17th St., Suite 2000

Denver, CO 80202

This report is the property of NATIONAL CEMENTERS CORP. and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employee thereof receiving such report from NATIONAL CEMENTERS CORP.

We give below results of our examination of the submitted gas sample.

Submitted by David Howell

Marked Navahoe 34-7; Apache County, Arizona

Bottle Serial # 20

Bottle Pressure 200 psi

## Results:

	Mole %	BTU	Sp. Gr.	Gal./m
Composite Air	73.88	---	0.584	---
Methane	15.74	126	0.069	---
Carbon Dioxide	4.28	---	0.056	---
Ethane	2.31	35	0.020	---
Propane	1.84	36	0.022	0.398
Iso-Butane	0.41	10	0.006	0.104
N-Butane	0.74	19	0.011	0.179
Iso-Pentane	0.25	9	0.006	0.083
N-Pentane	0.29	10	0.006	0.088
C <sub>6</sub> <sup>+</sup>	0.26	9	0.006	0.084
TOTAL	100%	254	0.786	0.936

Respectfully Submitted,  
National Cementers Corporation

Laboratory Analyst

Dolberg/Pahler

By Thomas Eapen

## NOTICE:

This report is for information only and the content is limited to the sample described. NATIONAL CEMENTERS CORP. makes no warranties, express or implied whether of fitness for a particular purpose, merchantability, or otherwise, as to the accuracy of the contents or results. Any user of this report agrees NATIONAL CEMENTERS CORP. shall not be liable for any loss or damage, regardless of cause, including any act or omission of NATIONAL CEMENTERS CORP., resulting from the use hereof.

**OPERATOR'S CERTIFICATE OF COMPLIANCE AND AUTHORIZATION  
TO TRANSPORT OIL OR GAS FROM LEASE**

**RECEIVED**

Federal, State or Indian Lease Number, or lessor's name if fee lease <b>N00-C-14-20-4436</b>	Field <b>Wildcat</b>	Reservoir <b>Mississippian</b>
Survey or Sec-Twp-Rge <b>Sec. 7, T40N-R29E</b>	County <b>Apache</b>	State <b>Arizona</b>
Operator <b>Kenai Oil and Gas Inc.</b>		
ADDRESS ALL CORRESPONDENCE CONCERNING THIS FORM TO:		
Street <b>717 17th St., Ste. 2000</b>	City <b>Denver,</b>	State <b>Colorado 80202</b>
Above named operator authorizes (name of transporter) <b>Giant Refining Company (Div. of Giant Industries)</b>		
Transporter's street address <b>5107 N. 7th Street</b>	City <b>Phoenix</b>	State <b>Arizona 85014</b>
Field address <b>P.O. Box 256, Farmington, NM 87401</b>		
Oil, condensate, gas well gas, casinghead gas		
To transport <b>100</b>	% of the <b>oil</b>	from said lease.
OTHER GATHERERS TRANSPORTING FROM THIS LEASE ARE AS FOLLOWS:		
Name of gatherer <b>NONE</b>	% transported	Product transported
Indicate whether or not this certificate is for a new lease. If not a new lease, indicate whether or not it is a change of operator, change of lease name, change of gatherer, or a consolidation or subdivision of leases and give effective date of change.  <b>This certificate is for a new lease.</b>		

The undersigned certifies that the rules and regulations of the State of Arizona Oil & Gas Conservation Commission have been complied with in drilling and producing operations on this lease, except as noted above, and that the above transporter is authorized to transport the above specified percentage of the allowable oil or gas produced from the above described property, and that this authorization will be valid until further notice or until cancelled by the State of Arizona Oil & Gas Conservation Commission.

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Manager-Drilling and Production of the Kenai Oil and Gas Inc. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

May 1, 1981

Date

Signature

*George B. Judd*  
George B. Judd

Date approved: 5-4-81

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION

By: *[Signature]*

Permit No. 717

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Operator's Certificate of Compliance & Authorization to  
Transport Oil or Gas from Lease  
File Two Copies

Form No. 8

RECEIVED

MAY 4 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator Kenai Oil and Gas Inc.  
 2. Oil WELL ☒ GAS WELL ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name Navajo #34-7  
 Location 1100' FSL - 2050' FEL, SWSE  
 Sec. 7 Twp. 40N Rge. 29E County Apache Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease Navajo Tribal NOO-C-14-20-4436  
 5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <input type="checkbox"/>	ABANDONMENT <input type="checkbox"/>
(OTHER) <input type="checkbox"/>		WELL STATUS <input checked="" type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

3/26-4/1/81: Well shut-in, waiting for installation of pumping unit and tank battery. Previous Sundry Notice dated 3/26/81 should not have stated "Well now on production".

8. I hereby certify that the foregoing is true and correct.

Signed

George B. Judd  
 Manager-Drilling and Production

Date 5/1/81

Permit No. 917

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 Sundry Notices and Reports On Wells  
 File 54 Copy 7  
 Form No. 25

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MAR 23 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil Well ☒ GAS Well ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
 Sec 7 Twp 40N Rgn 29E County Apache Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease Navajo Tribal NOO-C-14-20-4436  
 5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
(OTHER)	<input type="checkbox"/>		<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
			<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
			<input type="checkbox"/>	ABANDONMENT	<input type="checkbox"/>
			<input type="checkbox"/>	WEEKLY WELL PROGRESS REPORT	<input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

3/13: Perforated well @ 5562-67' with 3-1/8" casing gun.

3/14-19: Swabbing well.

8. I hereby certify that the foregoing is true and correct.

Signed Wm. J. Thoms Title Production Engineer Date March 19, 1981

Permit No. 717

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 Sundry Notices and Reports On Wells  
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MAR 30 1981

O & G CONS. COMM.

SUNDRY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil Well ☒ GAS Well ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
 Sec. 7 Twp. 40N Rge. 29E County Apache Arizona  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease Navajo Tribal NOO-C-14-20-4436

5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>		
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>		
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>		
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) WEEKLY WELL PROGRESS REPORT <input checked="" type="checkbox"/>	ABANDONMENT <input type="checkbox"/>		

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

3/20-26: Swabbed well. Ran in hole with 1½"x2"x16' insert pump and 220 3/4" rods. Well now on production.

8. I hereby certify that the foregoing is true and correct.

Signed George B. Judd Title Mgr-Drilling & Prod. Date March 26, 1981

Permit No. 717

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 Sundry Notices and Reports On Wells  
 File This Copy  
 Form No. 25

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MAR 16 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil WELL ☒ GAS WELL ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
 Sec. 7 Twp. 40N Rge. 29E County Apache Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease Navajo Tribal NOO-C-14-20-4436  
 5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	ABANDONMENT	<input type="checkbox"/>
(OTHER)	<input type="checkbox"/>		(OTHER)	WEEKLY WELL PROGRESS REPORT	<input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

3/9 - 3/11: Moved in Action Well Service, Rig #5. Preparing for Bond log.

3/12: Ran CCC-CBL-VDL from 5622-2000'. From 5622-3690', 95% bond; 3690-3340', free pipe; 3340-2688', 98% bond; 2680-2310', 75% bond; 2310-2272', 98% bond; 2272-2000' free pipe. DV tool brokedown @ 2200 psi. Will squeeze in morning.

DV 3294

8. I hereby certify that the foregoing is true and correct.

Signed [Signature] Title Production Engineer Date 3/12/81

Permit No. 717

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 Sundry Notices and Reports On Wells  
 File 717 Copy 7  
 Form No. 28

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MAR 2 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil WELL ☒ GAS WELL ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
 Sec. 7 Twp. 40N Rge. 29E County Apache Arizona.  
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 5. Field or Pool Name Wildcat

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NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>	WATER SHUT-OFF	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	DIRECTIONAL DRILL	<input type="checkbox"/>	FRACTURE TREATMENT	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	PERFORATE CASING	<input type="checkbox"/>	SHOOTING OR ACIDIZING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>	MONTHLY PROGRESS	<input type="checkbox"/>
(OTHER)	<input type="checkbox"/>			REPAIRING WELL	<input type="checkbox"/>
				ALTERING CASING	<input type="checkbox"/>
				ABANDONMENT	<input type="checkbox"/>
				WEEKLY WELL PROGRESS REPORT	<input checked="" type="checkbox"/>
				(OTHER)	<input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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Shut in 2/19/81, waiting on completion rig.

8. I hereby certify that the foregoing is true and correct.

Signed George E. Judd

Manager-Drilling & Production Date 2/26/81

Permit No. 717

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notices and Reports On Wells  
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Form No. 25

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FEB 17 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil Well ☒ GAS Well ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
 Sec. 7 Twp. 40N Rge. 29E County Apache Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease Navajo Tribal NOO-C-14-20-4436  
 5. Field or Pool Name Wildcat

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NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>		ABANDONMENT <input type="checkbox"/>
(OTHER) <input type="checkbox"/>		(OTHER) <input type="checkbox"/>	WEEKLY WELL PROGRESS REPORT <input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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2/6 - 2/10: Drilled to 5362'.  
 2/11: DST #1, 5330-62'; Open 15 min (fair blow 5 min); SI 30 min; Open 60 min (fair blow, GTS 2 min, continued to open 5 min); SI 120 min.  
 2/12: DST #2, 5299-5362'; Open 15 min (good blow thru out); SI 30 min; Open 60 min. (good blow for 45 min then decreased to fair blow---no hydrocarbons, gas or liquids); SI 120 min. Will resume drilling.

8. I hereby certify that the foregoing is true and correct.

Signed George B. Guld

Manager - Drilling  
Title & Production

Date 2/12/81

Permit No. 717

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notices and Reports On Wells  
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FEB 23 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil Well ☒ GAS Well ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
 Sec. 7 Twp. 40N Rge. 29E County Apache Arizona.  
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NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) WEEKLY WELL PROGRESS REPORT <input checked="" type="checkbox"/>	ABANDONMENT <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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See attached sheet for DST results.

2/14: Drilled to TD 5639'. From 2/11 to 2/17 ran 4 Drill-Stem Tests.

2/18: Ran prod. csg as follows: 134 jts, 4 1/2", 10.5#, J-55, R3 casing (measuring 5671.70') w/4' hardware and landed @ 5638' KB. Centralizers on 1,3,4,7,10, and 13th jts, plus above and below DV tool @ 3296'. Circ last jt down, circ 30 min with full returns. Cemented w/1000 gals. mud flush then 150 sxs Howco Lite, plus 300 sxs 50/50 Pozmix with 6 1/4# per sx. Gilsonite. PD @ 2 a.m., 2/18/81. Good circ throughout job. BP held ok. Open DV tool, circ 2 1/2 hrs., cmt w/200 sxs 50/50 Pozmix then 50 sxs Class B cement. Plug down (PD) @ 5:45 a.m., 2/18/81. Released rig @ 12 noon, 2/18/81. FINAL REPORT until completion commences.

8. I hereby certify that the foregoing is true and correct.

Signature George B. Judy

Manager - Drilling  
Title & Production

Date 2/19/81

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notices and Reports On Wells  
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Form No. 28

Permit No. 717

NAVAJO #34-7  
SWSE, Sec. 7, T40N-R29E  
Apache County, Arizona  
Navajo Tribal NOO-C-14-20-4436

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O & G CONS. COMM.

DST RESULTS

2/11: DST #1, 5330-62': Open 15 min (fair blow 5 inches)  
SI 30 min  
Open 60 min (fair blow, gas to surface 2 min., continued to  
open 5 inches)  
SI 120 min.  
Gas Analyses: C<sub>1</sub> 2; C<sub>2</sub> 15; C<sub>3</sub> 1; C<sub>4</sub> 8.

2/12: DST #2, 5299-5362': Open 15 min (good blow thruout)  
SI 30 min.  
Open 60 min (good blow for 45 min. then decreased to fair  
blow; no hydrocarbon, gas or liquids)  
SI 120 min  
IH - 2512  
ISI - 27  
IF - 14-16  
FF - 14-14  
FSI - 24  
FH - 2512  
BHT 122°F  
Rec. 243' mud, no oil or gas  
Sample Chamber: 2200 cc mud, no gas, 2.5 psi.

2/15: DST #3, 5560-85': Open 15 min (good blow to bottom of bucket)  
SI 30 min  
Open 90 min (poor blow (1½ inch) & stayed poor thruout)  
SI 120 min. No gas to surface  
Rec. 1142' oil and 60' oil & gas cut water.  
Sample Chamber: 2200 cc oil & gas cut water.  
No final shut-in, valve didn't close

	<u>Top Recorder (5545')</u>	<u>Bottom Recorder (5563')</u>
IH	2262	2642
IFF	135-162	81-149
ISI	1551	1556
FF	189-487	153-488
No final shut-in		
FH	2648	2642

2/17: DST #4, 5557-80': Open 15 min  
SI 30 min  
Open 60 min  
SI 120 min.

Sample Chamber: 2200 cc fluid---  
75% oil, 25% water.

IH	2669
IF	80
FF	244
ISI	1528
IF	271
FF	636
2 SI	1515
FH	2560
BHT	130°F
Rec.	1737 Highly gas & slt oil cut mud.

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FEB 10 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

1. Name of Operator KENAI OIL AND GAS INC.  
 2. Oil WELL ☒ GAS WELL ☐ OTHER ☐ (Specify) \_\_\_\_\_  
 3. Well Name NAVAJO #34-7  
 Location SW/4 SE/4; 1100' FSL - 2050' FEL  
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 4. Federal, State or Indian Lease Number, or lessor's name (if fee lease) Navajo Tribal NOO-C-14-20-4436  
 5. Field or Pool Name Wildcat

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:			SUBSEQUENT REPORT OF:		
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>		
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>		
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>		
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(OTHER) <input type="checkbox"/>	ABANDONMENT <input type="checkbox"/>		
			WEEKLY WELL PROGRESS REPORT <input checked="" type="checkbox"/>		

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

At 4435', presently drilling, 12th day on location. Total cost to date: \$177,871.

8. I hereby certify that the foregoing is true and correct.

Signed GEORGE B. Judd

Title Manager-Drilling & Production Date 2/5/81

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notices and Reports On Wells  
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Permit No. 717

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FEB 2 1981

O & G CONS. COMM.

SUNDY NOTICES AND REPORTS ON WELLS

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2. Oil Well ☒ GAS Well ☐ OTHER ☐ (Specify) \_\_\_\_\_  
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NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐ PULL OR ALTER CASING ☐  
FRACTURE TREAT ☐ DIRECTIONAL DRILL ☐  
SHOOT OR ACIDIZE ☐ PERFORATE CASING ☐  
REPAIR WELL ☐ CHANGE PLANS ☐  
(OTHER) \_\_\_\_\_

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐ MONTHLY PROGRESS ☐  
FRACTURE TREATMENT ☐ REPAIRING WELL ☐  
SHOOTING OR ACIDIZING ☐ ALTERING CASING ☐  
ABANDONMENT ☐  
(OTHER) WEEKLY WELL PROGRESS REPORT ☒

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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Well was spudded at 10:30 p.m., 1/24/81. Drilled 12 1/4" hole. Ran 15 jts (measuring 620'), 8-5/8", 23# casing and landed at 635'. Cemented (by Halliburton) with 500 sacks CRF, plus 10% CaCl and 1/4# per sack Flo-seal. Good returns to surface. Plugged down at 8:30 a.m., 1/26/81.

Presently drilling at 2140'.

8. I hereby certify that the foregoing is true and correct.

Signed George B. Gull

Manager-Drilling & Production

Date January 29, 1981

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notices and Reports On Wells

File This Copy

Form No. 25

Permit No. 717



Form 2-321 C  
(May 1963)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

RECEIVED  
JAN 15 1981  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 42-R1425.

O & G CONS. COMM.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE BORE ☒ MULTIPLE BORE ☐

2. NAME OF OPERATOR

Kenai Oil & Gas, Inc.

3. ADDRESS OF OPERATOR 2000 Energy Center One

717 - 17th Street, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1100' FSL & 2050' FEL, Section 7

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

12 miles W SW Teec Nos Pos

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drg. unit line, if any)

1100'

16. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

23 chains

21. ELEVATIONS (Show whether DP, RT, CR, etc.)

5969' Ungraded Ground

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	300'	350 cu. ft.
7-7/8"	4-1/2"	10.5#	5790'	800 cu. ft.

1. Drill 12-1/4" hole to 300'. Set 8-5/8", 24# csg. to 300' and cement to surface.
2. Test B.O.P. and surface csg. to 2000 psi before drilling out. W.O.C. 18 hrs. B.O.P. to be operated each day after drilling out.
3. Drill 7-7/8" hole to 5790' (T.D.).
4. In the event of commercial production, 4-1/2" csg. will be set at 5790' (T.D.) and cemented thru Cutler at 3350'±.

This action is subject to administrative  
appeal pursuant to 30 CFR 290.

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

M. Seelinger

TITLE Agent

DATE 11/19/80

(This space for Federal or State use only)

PERMIT NO.

JAN 13 1981

APPROVAL DATE

APPROVED BY

JAMES F. SIMS

TITLE

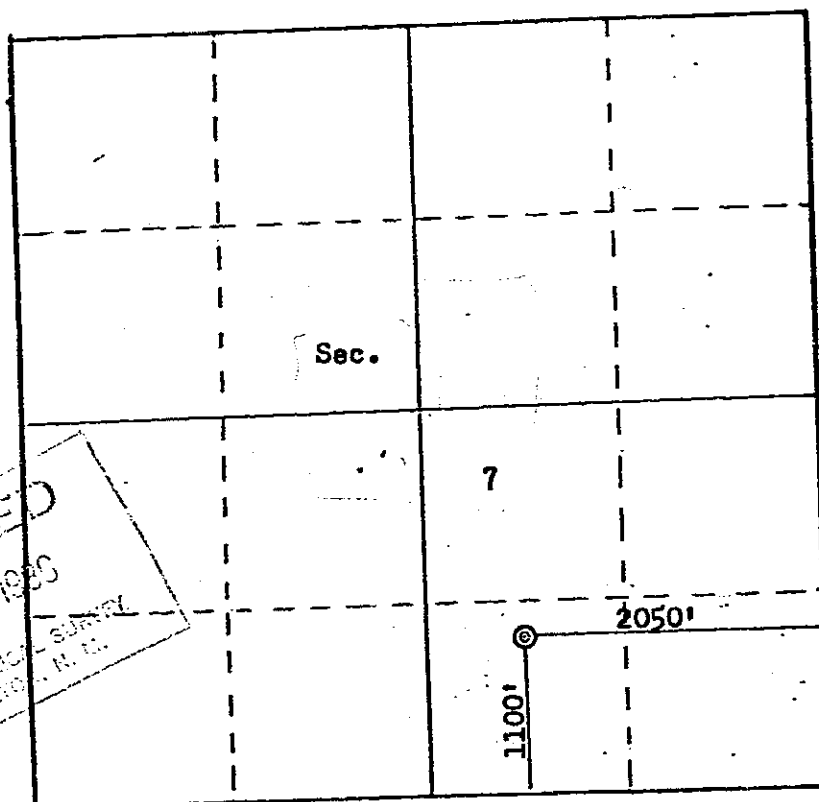
DATE

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT ENGINEER

0000-Arizona.

COMPANY KENAI OIL & GAS, INCORPORATED  
LEASE NAVAJO WELL NO. 34-7  
SEC. 7, T. 40N, R. 29E  
APACHE COUNTY, ARIZONA  
LOCATION 1100' FSL 2050' FEL  
ELEVATION 5969 ungraded ground



RECEIVED  
NOV 24 1980  
U. S. GEOLOGICAL SURVEY  
FARMINGTON, N. M.

SCALE—4 INCHES EQUALS 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTE OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPER-  
VISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

SEAL

Fred B. Kerr Jr.

3950 Registered Land Surveyor

SURVEYED October 23, 1980

FARMINGTON, N. M.

LAND PLAT  
DEDICATED ACREAGE

RECEIVED

MAY 8 1981

O & G CONS. COMM.

Operator Kenai Oil and Gas Inc.		Lease Navajo (N00-C-14-20-4436)		Well No. #34-7
Section S 1/4 SE 1/4	7	Township 40N	Range 29E	County Apache, Arizona
Actual Footage Location of Well: 1100 feet from the South line and 2050 feet from the East line				
Ground Level Elev. 5969'	Producing Formation Mississippian	Pool Unnamed	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation N/A

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

<p>RECEIVED APR 29 1981 OIL CON. COM. DIST. 3</p>		<p>ACCEPTED FOR RECORD APR 28 1981 FARMINGTON DISTRICT BY <i>[Signature]</i></p>	
<p>RECEIVED MAY 4 1981 U. S. GEOLOGICAL SURVEY FARMINGTON, N. M.</p>		<p>34-7 LOC.</p>	

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name  
George B. Judd  
Position  
Manager-Drilling & Production  
Company  
Kenai Oil and Gas Inc.  
Date  
April 22, 1981

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
Registered Professional Engineer  
and/or Land Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900 0

117

November 19, 1980

United States Geological Survey  
P. O. Box 959  
Farmington, New Mexico 87401

ATTENTION: Mr. Jim Simms

Gentlemen:

The following Multi-Point Surface Use & Operations Plan for the No. 34-7 Navajo is submitted as required by U.S.G.S. Regulation NTL-6:

1. Existing Roads - See Exhibit I.

Existing and new roads are shown on this map. All existing and new roads will be maintained for duration of this project.

2. Planned Access Roads - See Exhibit I.

The existing access road to within 2000' of the proposed location does not exceed 20' with a grade of approximately 4-1. The new road will be nearly flat and not exceed 14' across rock surface. No new cuts, fills, cattle guards, fences or culverts will be required.

3. Location of Existing Wells - See Exhibit II.

4. Location of Existing and/or Proposed Facilities.

There are no existing facilities.

See Exhibit III for proposed layout of production facilities.

5. Location and Type of Water Supply.

Water for drilling purposes will be hauled from a spring and dam along highway about four miles west of Teec Nos Pos. Existing access roads will be used.

6. Source of Construction Material.

No new construction material will be used. There is no top soil and the surface will be leveled by breaking the sandstone rock.

Page Two  
Mr. Jim Simms  
November 19, 1980

7. Method of Handling Waste Materials.

- (A.) Cutting - Into reserve pits to be covered when pits are backfilled.
- (B.) Drilling fluids - Into reserve pit and evaporated before filling reserve pits.
- (C.) Produced fluids - Oil will go into frac tanks and hauled out together with associated water and B.S.
- (D.) Sewage - Drilling contractor to furnish toilets.
- (E.) Garbage and trash - Pit will be 20'x20'x6' and covered with wire mesh.
- (F.) Proper cleanup of location will be performed upon completion and rig is moved off.

8. Ancillary Facilities.

No camps or airstrips will be built.

9. Well Site Layout - Refer

10. Plans for Restoration of

After completion, the local conditions as possible. Such work is possible. P with surroundings.

11. Land is fairly flat, surface very little vegetation. Archaeological, historical the proposed well site.

12. Operator's Representatives

George B. Judd  
2000 Energy Center One  
717 - 17th Street  
Denver, Colorado 80202  
Telephone: 303-893-3392

Pohlmann & Associates  
200 Petroleum Plaza Building  
3535 E. 30th Street  
Farmington, New Mexico 87401  
Telephone: 505-325-4608

*Please send copies of  
Forms needed to  
drill this well.*

*organization*

*Board*

*Application to drill*

*Summary Reports*

*Comprehensive copy of Rules & Regs.*

*Mailed  
1-16-81*

Page Two  
Mr. Jim Simms  
November 19, 1980

7. Method of Handling Waste Materials.

- (A.) Cutting - Into reserve pits to be covered when pits are backfilled.
- (B.) Drilling fluids - Into reserve pit and evaporated before filling reserve pits.
- (C.) Produced fluids - Oil will go into frac tanks and hauled out together with associated water and B.S.
- (D.) Sewage - Drilling contractor to furnish toilets.
- (E.) Garbage and trash - Pit will be 20'x20'x6' and covered with wire mesh.
- (F.) Proper cleanup of location will be performed upon completion and rig is moved off.

8. Ancillary Facilities.

No camps or airstrips will be built.

9. Well Site Layout - Refer to Plat No. 1.

10. Plans for Restoration of Surface.

After completion, the location will be restored as near to original conditions as possible. The pits will be backfilled or fenced until such work is possible. Production equipment will be color coordinated with surroundings.

11. Land is fairly flat, surface is mostly rock of Morrison sandstone with very little vegetation. Surface is Indian land, devoid of dwellings, archaeological, historical or cultural sites within one mile radius of the proposed well site.

12. Operator's Representatives.

George B. Judd  
2000 Energy Center One  
717 - 17th Street  
Denver, Colorado 80202  
Telephone: 303-893-3392

Pohlmann & Associates  
200 Petroleum Plaza Building  
3535 E. 30th Street  
Farmington, New Mexico 87401  
Telephone: 505-325-4608

Page Three  
Mr. Jim Simms  
November 19, 1980

13. Certification.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed here will be performed by Kenai Oil & Gas, Inc. and its contractors and its sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

11-19-1980  
Date

*M. B. Pohlmann*  
Pohlmann & Associates, Agent

IV. Materials:

A. Casing Program:

<u>Hole Size</u>	<u>Depth</u>	<u>Casing Size</u>	<u>Wt. &amp; Grade</u>
12-1/4"	300'	8-5/8"	24# H-40
7-7/8"	5790'	4-1/2"	S.T.C. New
			10.5# K-55
			S.T.C. New

B. Float Equipment:

8-5/8" surface csg. - Halliburton guide shoe.  
4-1/2" csg. - Halliburton guide shoe, self-fill insert  
float valve one joint above shoe.

C. Well-Head Equipment:

10" 900 x 8-5/8" csg. head. 10" 900 x 6" 900 Xmas tree.

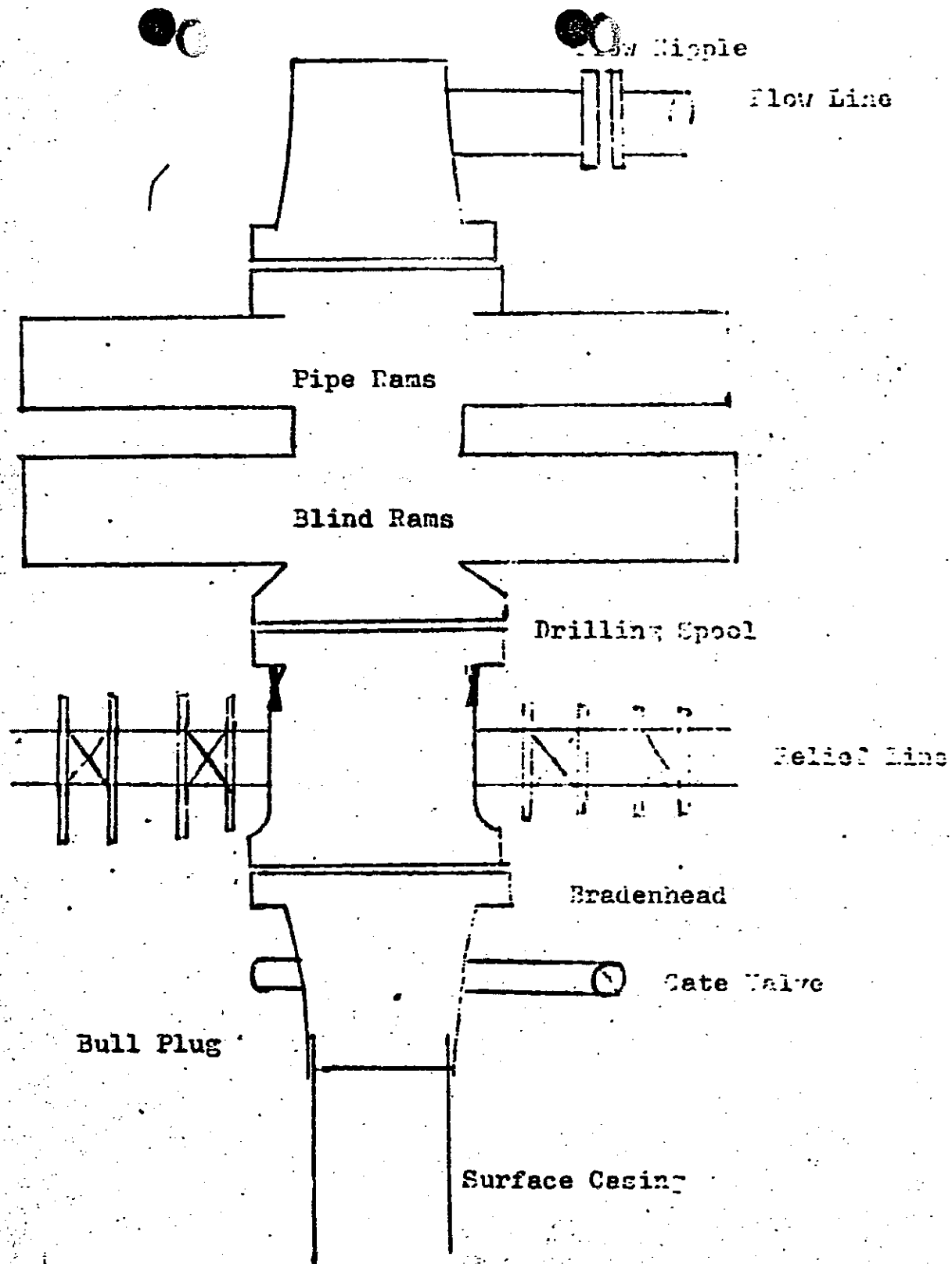
V. Cementing:

8-5/8" surface casing - use 300 sacks Class B cement 1/4# flocele per sack, 2% CaCl<sub>2</sub>. 100% excess to circulate to surface. W.O.C. 14 hours, do not move csg. for 4 hours. Test casing to 600 psi 30".

4-1/2" production casing - cement with 150 sacks Howco lite followed by 300 sacks 50-50 posmix with 6-1/4# gilsonite per sack, .6% Halad 9, set D.V. tool @ 3200'. Cement with 150 sacks 50-50 posmix followed by 50 sacks reg. neat cement.

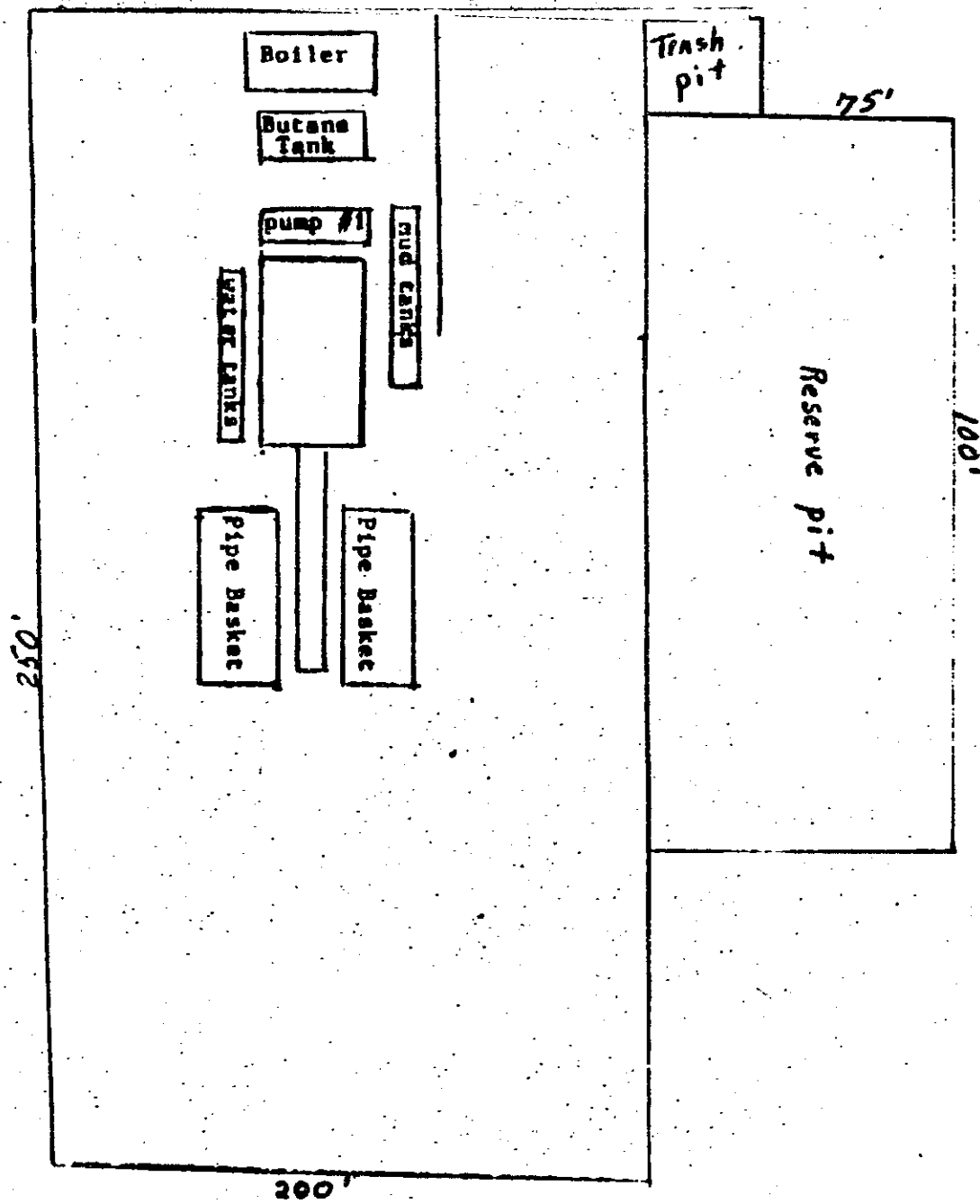
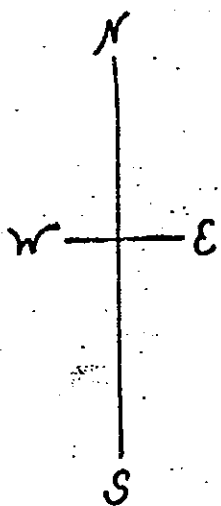


Typical B.O.P. Installation



Series 900 Double Gate BOP, rated  
at 3000 psi Working Pressure

*Attachment 1*



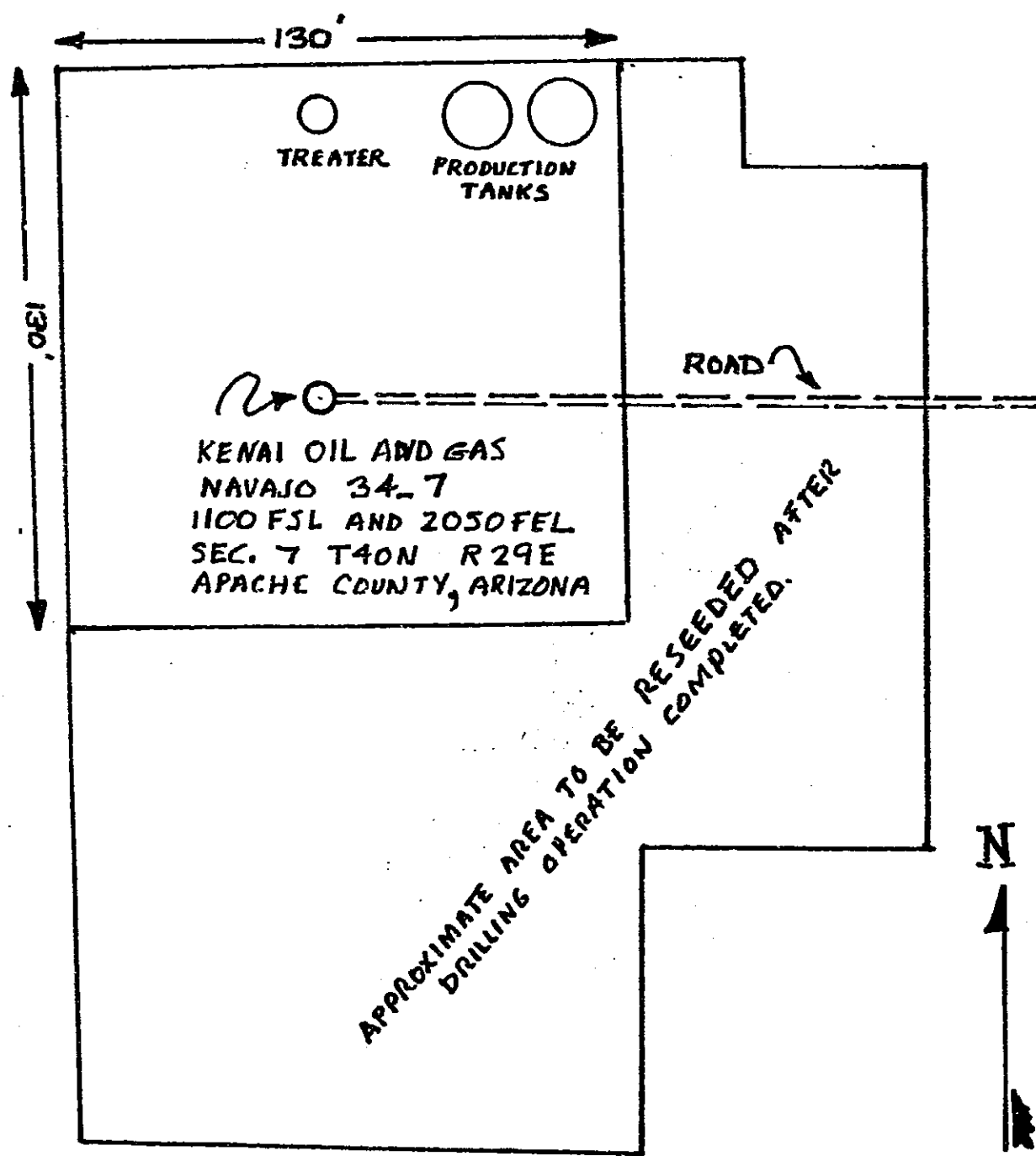
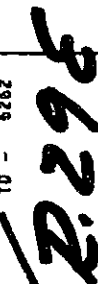
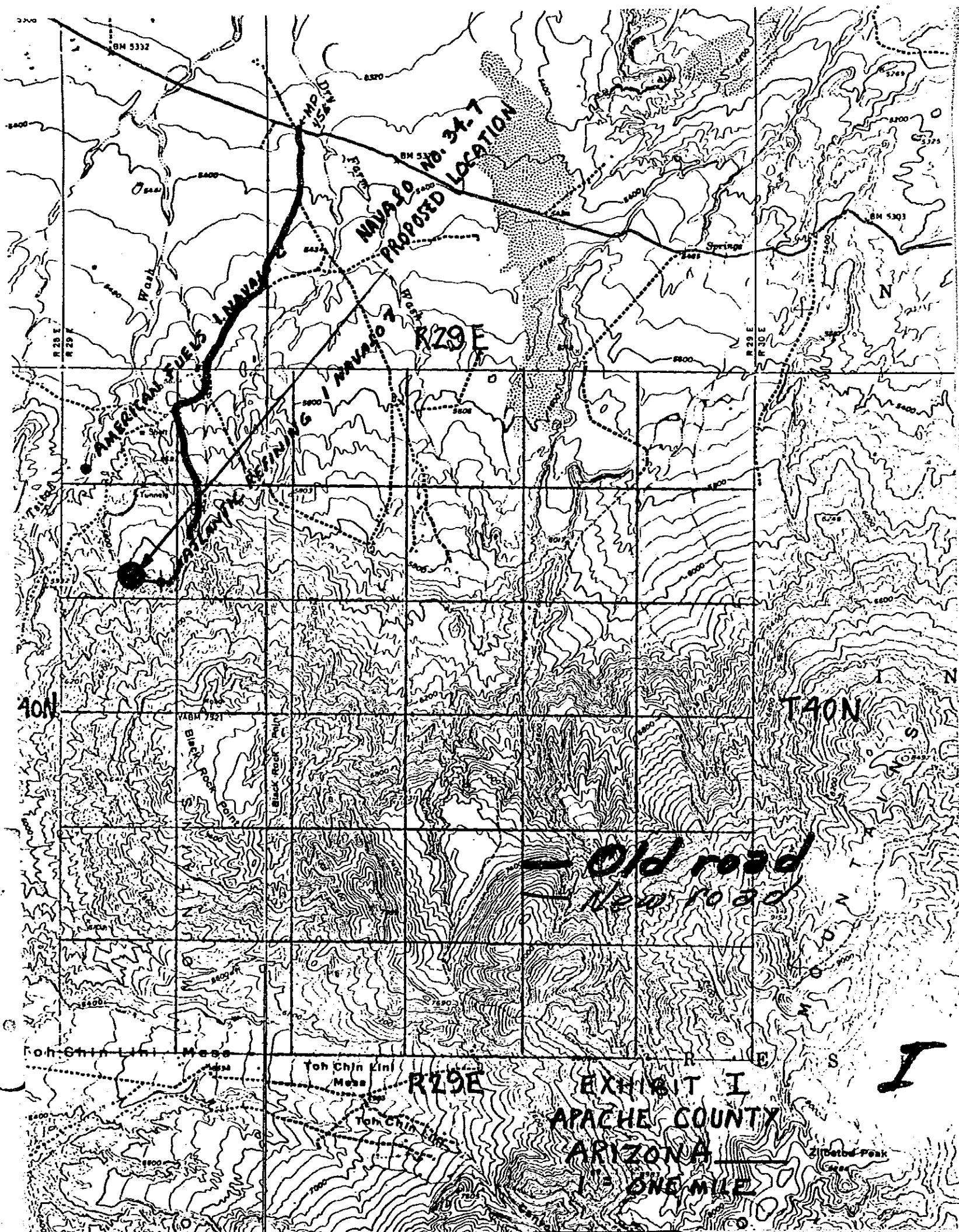


EXHIBIT III PROPOSED PRODUCTION  
FACILITIES

# Exhibit II

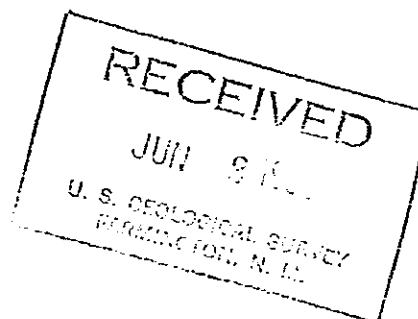




# Kenai

May 27, 1980

United States Geological Survey  
Oil and Gas Section, District Office  
P.O. Box 959  
Farmington, New Mexico 87401



RE: Navajo Well #34-7  
1100' FSL - 2200' FEL  
Sec. 7, T40N-R29E  
Apache County, Arizona

Gentlemen:

We request your permission to stake the well referenced above. The lease information for this well is as follows:

Lessee: Jerome P. McHugh  
Lease No.: N00-C-14-20-4436  
Expiration date: April 30, 1982  
Royalty: 16-2/3%  
Acres: 624  
Description: All of Section 7, as above.

A copy of a topographic map showing the referenced well location is attached for your information.

This well will be a 5,680 foot Mississippian test and has the potential of being gas productive in commercial quantities. If commercial gas is developed, will there be any undue delay in installing a gas line?

Pohlmann and Associates, 200 Petroleum Plaza Bldg., Farmington, NM 87401, phone (505) 325-4608; will be our representative and agent in all matters concerning the permitting, drilling, completing, and connecting this well.

Your early reply would be appreciated.

Yours very truly,

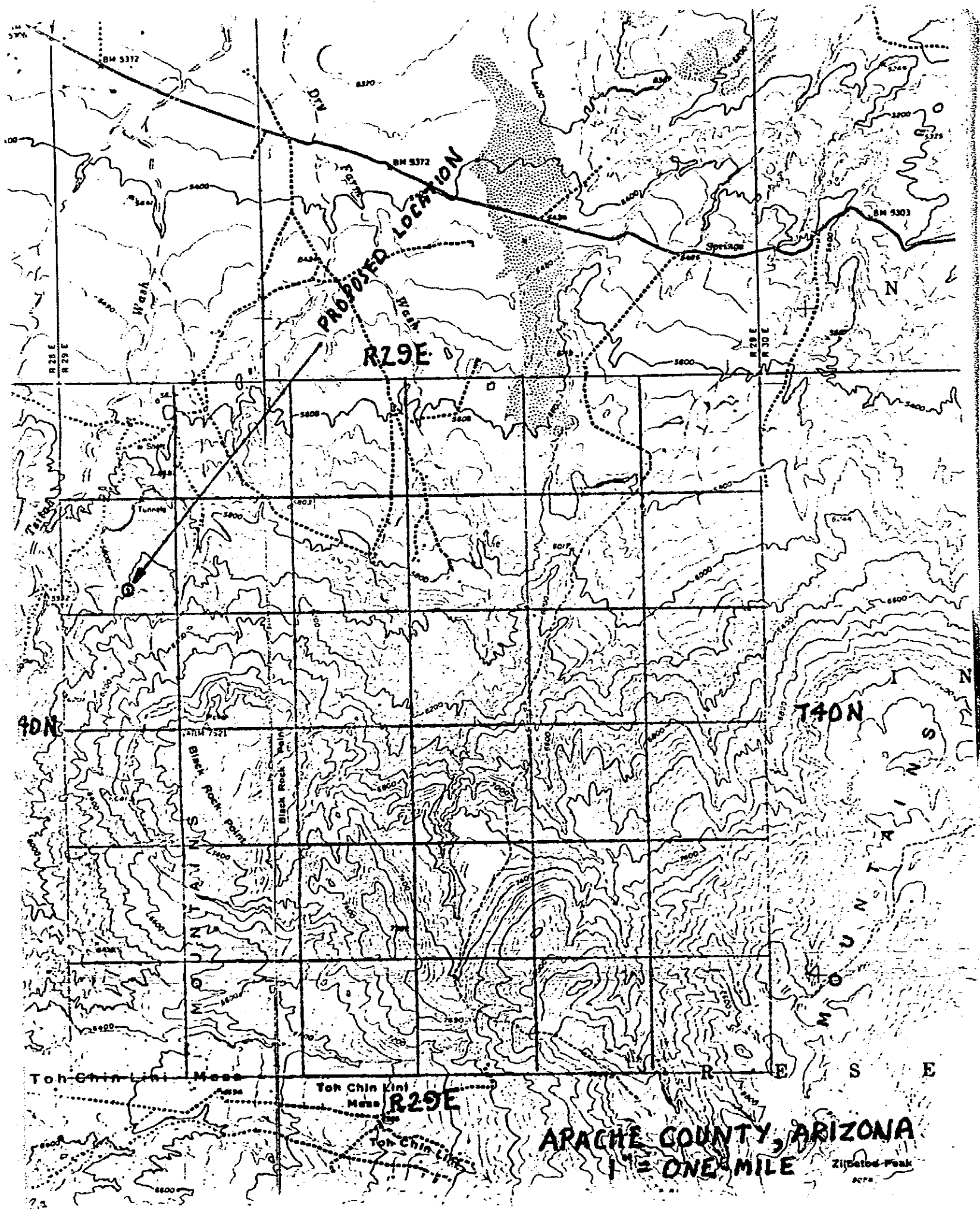
CLEARANCE FOR NECESSARY  
SURVEYING AND STAKING HEREBY APPROVED  
*[Signature]*  
U.S.G.S. DATE 6-4-80

*George B. Judd*  
George B. Judd  
Manager - Drilling and Production

GBJ:ram

Enclosures  
cc: Pohlmann & Associates

**FARMINGTON COPY**



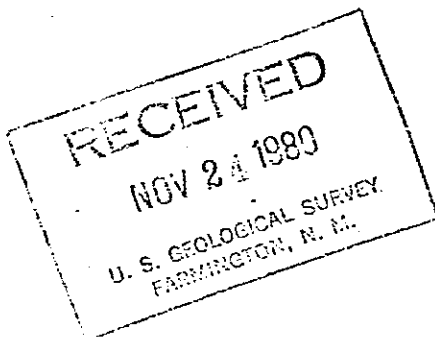
Dec.  
11/19/80



An Archaeological Clearance Survey of  
One Proposed Well Location & Access Road  
Conducted for Kenai Oil and Gas, Inc.

Randy Moorehead

Navajo #34-7



Report 80-SJC-425  
of the  
Cultural Resource Management Program  
San Juan Campus  
New Mexico State University

13 November 1980

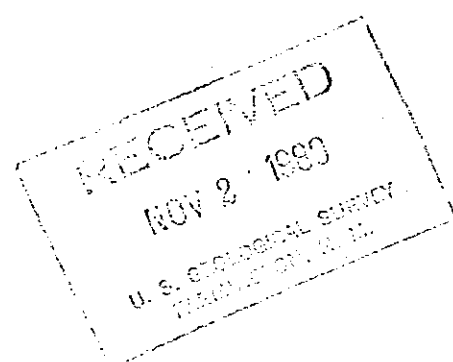


Report 80-SJC-425  
Permit 79-NM-123 with  
Navajo Tribal Consent  
to Issuance #52

An Archaeological Clearance Survey of  
One Proposed Well Location & Access Road  
Conducted for Kenai Oil and Gas, Inc.

Randy Moorehead  
Cultural Resource Management  
San Juan Campus  
New Mexico State University

13 November 1980



An Archaeological Clearance Survey of  
One Proposed Well Location & Access Road  
Conducted for Kenai Oil and Gas, Inc.

On 12 November 1980, Randy Moorehead from the Cultural Resource Management Program, New Mexico State University, San Juan Campus, conducted an archaeological clearance survey of one proposed well location and access road for Kenai Oil and Gas, Inc. at the request of Mr. Hank Pohlmann from Pohlmann and Associates.

Present during the survey were Mr. Pohlmann, Mr. Harold Brown from Pohlmann and Associates, Mr. George Judd from Kenai Oil and Gas, Inc., Mr. Steve Shafran from the U.S. Geological Survey - Farmington office, Mr. Jerry Thomas from the B.I.A. - Shiprock Agency, and Ms. Nellie Jackson, Navajo Tribal Compliance officer.

The proposed well location and access road are on land administered by the Navajo Tribe, and were surveyed under Federal Antiquities permit 79-NM-123 with Navajo Tribal Consent to Issuance #52.

METHODOLOGY

The proposed well location was surveyed by walking parallel transects, fifty feet apart, over the 300 by 300 foot easement. The access road was surveyed by walking in a zigzag pattern over the flagged route.

GENERAL RECOMMENDATIONS

No cultural resources were found during the course of the survey, therefore archaeological clearance is recommended for the inspected area.

-2-

Proposed Well: KENAI OIL - NAVAJO #34-7

Land Status: Navajo Tribe.

Location: The proposed well location is in the NW $\frac{1}{4}$  of the SW $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 7, Township 40 North, Range 29 East, Apache County, Arizona. The well will be 1100 feet from the south line and 2050 feet from the east line of Section 7. (Figure 1)  
Note: Unsurveyed land, footages subject to change.

U.T.M.: Center - 12; 6,53,800 mE; 40,82,925 mN.

Access: 20 feet wide and 1000 feet long, approaching the location from the east.

Area Surveyed: 2.53 acres.

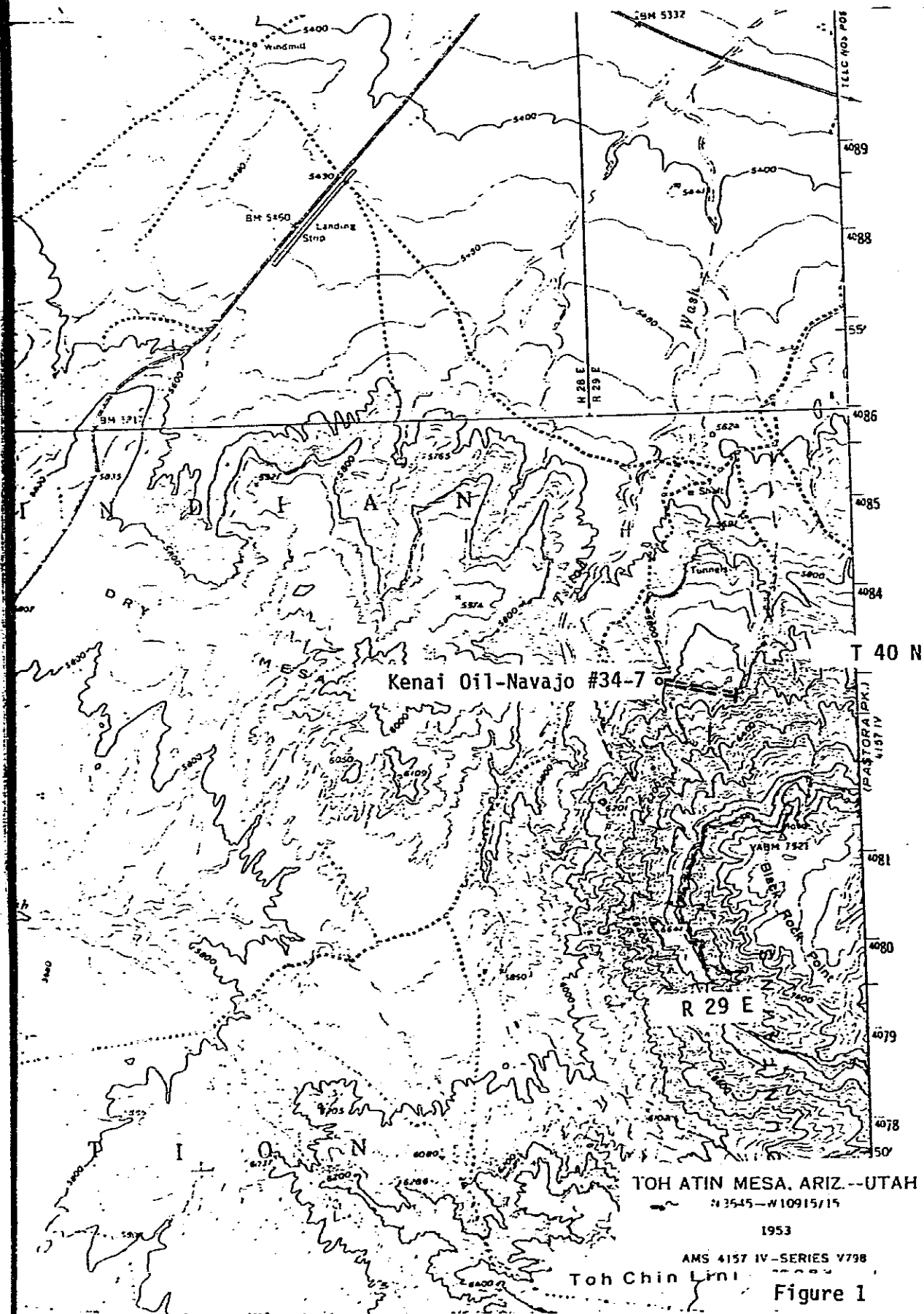
Terrain: Rocky slopes with westerly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Bedrock with blow-sand.

Vegetation: Piñon, juniper, sagebrush, rabbitbrush, snakeweed, ephedra, narrowleaf yucca, grama, bitterbrush.

Cultural Resources: None found.

Recommendations: Clearance recommended.



November 19, 1980

OPERATOR'S PLAN  
Navajo 34-7

I. Location: 1100' FSL and 2050' FEL, Sec. 7, T. 40 N., R. 29 E.,  
Apache County, Arizona.  
Elevation: 5969' ungraded G.L. Wildcat

II. Geology:

A. Formation Tops:	Surface - Morrison	
	DeChelly	2300'
	Organ Rock	2720'
	Cutler Anhyd.	3350'
	H. Hermosa	4065'
	M. Ismay	4640'
	L. Ismay	4700'
	Desert Creek	4753'
	Akah	4848'
	Barker Creek	5012'
	L. Hermosa	5203'
	Molas (5370')	5398'
	Mississippian (5460')	5466'
	Ouray	5710'
	Pre-Cambrian	5770'
	T.D.	5790'

B. Logging Program: Dual-Induction, Formation-Density-Calliper.

C. Coring Program: None.

D. Drill Stem Tests: None anticipated.

III. Drilling:

A. Mud Program: Mud from surface to 5790'.  
Surface - mud wt. 9.0#, vis. 35 sec.  
300'-T.D. - Gel and chemical controlled fluid loss.

B. Well Control: B.O.P. with double gate, hydraulic, remote control closing unit. (See Attachment A) Lower Kelly cock will be used after 8-5/8" surface csg. is run. Visual inspection of surface mud system will be used. Safety valve with sub (lower kelly cock) will be on floor at all times. Float at bit will be utilized.

Normal pressures and temperature are anticipated. No potential hazards such as hydrogen sulfide are expected.

It is planned to start drilling operations within 30 days. Drilling operations to take 15-20 days.

# APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

RECEIVED

JAN 22 1981

APPLICATION TO DRILL ☒ XX

RE-ENTER OLD WELL ☐

O & G CONS. COMM.

Kenai Oil & Gas, Inc.

NAME OF COMPANY OR OPERATOR

2000 Energy Center One

Denver

Colorado 80202

Address 717 17th Street

City

State

West Wind

Drilling Contractor

Address

## DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

Navajo Tribal N00-C-14-20-4436

Well number

34-7 Navajo

Elevation (ground)

5969' Hngr. G.L.

Nearest distance from proposed location to property or lease line:

1100 feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

1518 feet

Number of acres in lease:

624

Number of wells on lease, including this well, completed in or drilling to this reservoir:

One

If lease, purchased with one or more wells drilled, from whom purchased:

Name

Address

Well location (give footage from section lines)

1100' FSL & 2050' FEL

Section—township—range or block and survey

Sec. 7, T. 40 N., R. 29 E.

Dedication (Comply with Rule 105)

80 Acres - W/2 SE 1/4

Field and reservoir (if wildcat, so state)

Wildcat

County

Apache

Distance, in miles, and direction from nearest town or post office

12 miles SW Teec Nos Pos

Proposed depth:

5790'

Rotary or cable tools

Rotary

Approx. date work will start

January 25, 1981

Bond Status *Per New*

Organization Report

Filing Fee of \$25.00

Amount \$5000

On file

Or attached

Attached ☒

Remarks: *Organization Report will be forwarded from Denver.*

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Representative of the

Kenai Oil & Gas, Inc.

(company), and that I am authorized by said company to make this report, and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

January 19, 1981

Date

Permit Number: *717*

Approval Date: *1-22-81*

Approved By: *Don Whittaker*

Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter

File Two Copies

Form No. 3

(Complete Reverse Side)

1. Operator shall outline the dedicated acreage for both oil and gas wells on the plat.
2. A registered professional engineer or land surveyor registered in the State of Arizona or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
3. All distances shown on the plat must be from the outer boundaries of the Section.
4. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES X NO \_\_\_\_\_
5. If the answer to question four is "no," have the interests of all the owners been consolidated by contract or other agreement or otherwise? YES \_\_\_\_\_ NO \_\_\_\_\_ If answer is "yes," Type of Consolidation \_\_\_\_\_
6. If the answer to question four is "no," list all the owners and their respective interests below:

Owner	Land Description																
<div style="display: flex; justify-content: space-between;"> <div style="width: 55%;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 100px;"></td><td style="width: 25%; height: 100px;"></td><td style="width: 25%; height: 100px;"></td><td style="width: 25%; height: 100px;"></td></tr> <tr><td style="height: 100px;"></td><td style="height: 100px;"></td><td style="height: 100px;"></td><td style="height: 100px;"></td></tr> <tr><td style="height: 100px;"></td><td style="height: 100px;"></td><td style="height: 100px;"></td><td style="height: 100px;"></td></tr> <tr><td style="height: 100px;"></td><td style="height: 100px;"></td><td style="height: 100px;"></td><td style="height: 100px;"></td></tr> </table> </div> <div style="width: 40%;"> <p style="text-align: center;"><b>CERTIFICATION</b></p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</p> <p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed _____</p> <p>Registered Professional Engineer and/or Land Surveyor _____</p> <p>Certificate No. _____</p> </div> </div>																	

**PROPOSED CASING PROGRAM**

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
8-5/8"	24#	H-40	Surf.	300'	Circ.	350 cu. ft.
4-1/2"	10.5#	K-55	Surf.	5790'	2 Stage DV @ +3200'	800 cu. ft.

RECEIVED

JAN 22 1981

O & G CONS. COMM.

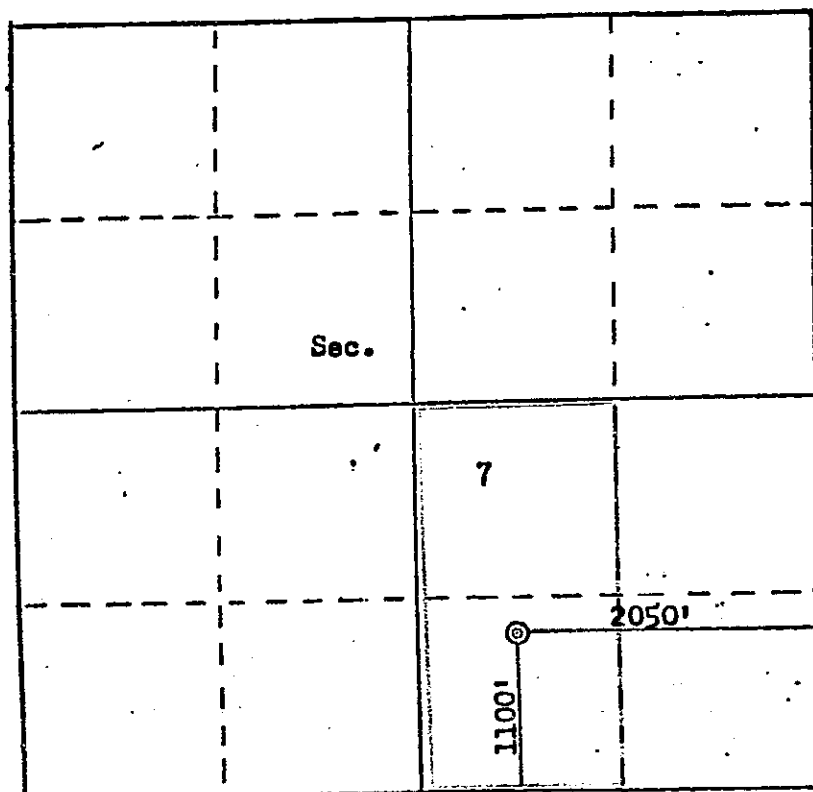
COMPANY KENAI OIL & GAS, INCORPORATED

LEASE NAVAJO WELL NO. 34-7

SEC. 7, T. 40N, R. 29E  
APACHE COUNTY, ARIZONA

LOCATION 1100' FSL 2050' FEL

ELEVATION 5969 ungraded ground



SCALE—4 INCHES EQUALS 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTE OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPER-  
VISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:

Fred B. Kerr Jr.

3950 Registered Land Surveyor

SURVEYED October 23 1980

FARMINGTON, N. M.





## PERMIT TO DRILL

This constitutes the permission and authority from the

OIL AND GAS CONSERVATION COMMISSION,  
STATE OF ARIZONA,

To: KENAI OIL & GAS, INC.  
(OPERATOR)

to drill a well to be known as

34-7 NAVAJO  
(WELL NAME)

located 1100' FROM SOUTH LINE & 2050' FROM EAST LINE (SW/4 SE/4)

Section 7 Township 40 N Range 29 E, APACHE County, Arizona.

The W/2 SE/4 of said  
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled  
in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 22nd day of January, 19 81.

PRIOR TO BEING ALLOWED TO PRODUCE THIS WELL  
YOU MUST BE IN FULL COMPLIANCE WITH RULE  
105, SECTION A THRU G (SPACING), WITH RESPECT  
TO THE PRODUCT TO BE PRODUCED.

OIL AND GAS CONSERVATION COMMISSION

By [Signature]  
EXECUTIVE SECRETARY

PERMIT N<sup>o</sup> 717

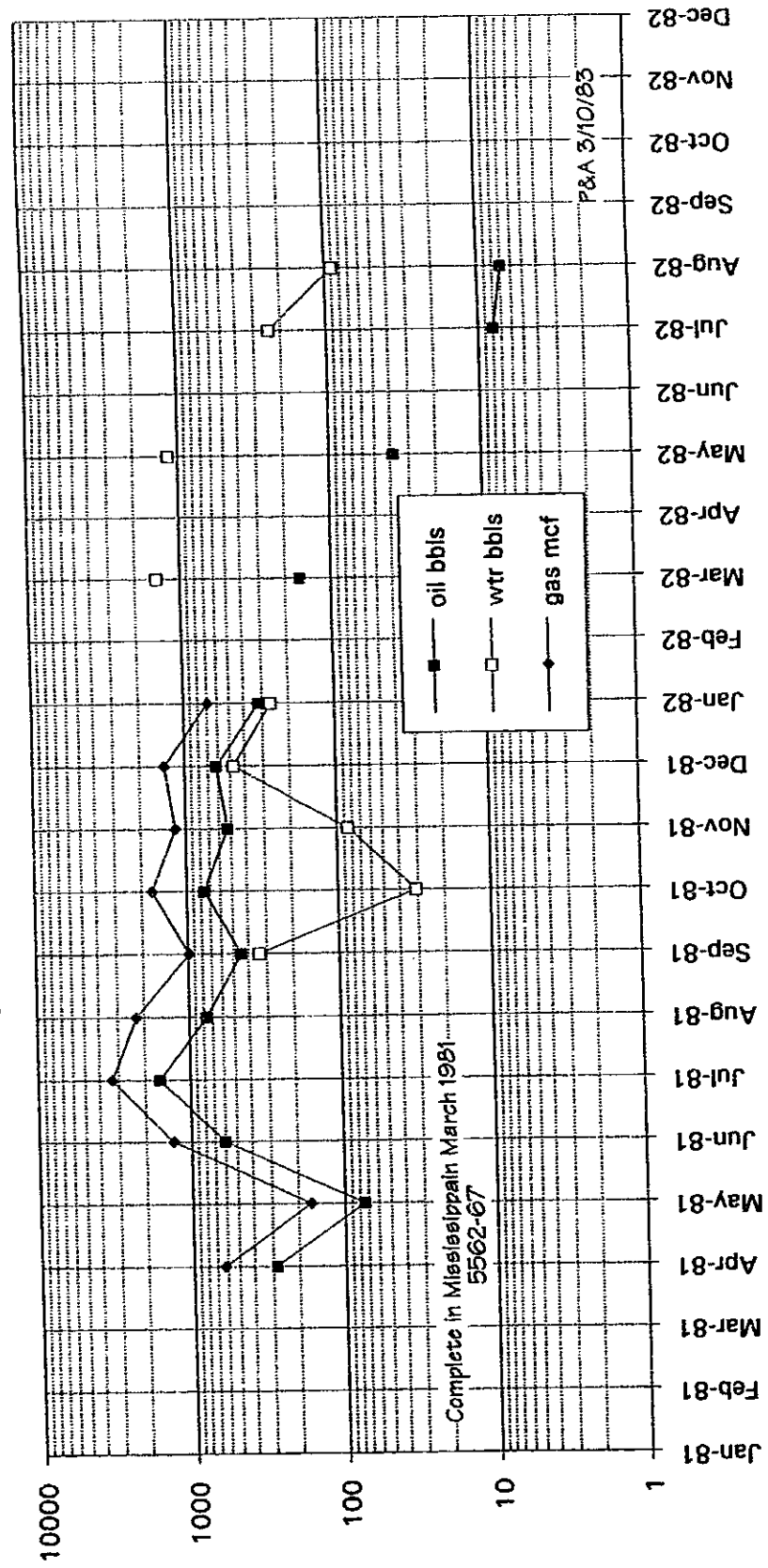
RECEIPT NO. 1988  
API No. 02-001-20248

State of Arizona  
Oil & Gas Conservation Commission  
Permit to Drill

FORM NO. 27

TEN FOOT SAMPLES ARE REQUIRED FROM SURFACE

MONTHLY PRODUCTION AT KENAI 34-7 NAVAJO (717), ARIZONA: APR 1981 - AUG 1982  
 SW se 7-40n-29e, Black Rock Field, Apache County



sw se 7-40n-29e, Apache County

[illegible]



**Oil and Gas Conservation Commission**

STATE OF ARIZONA

5150 N. 16th STREET, SUITE B-141  
PHOENIX, ARIZONA 85016  
PHONE: (602) 255-5161

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF ARIZONA**

In the matter of the Hearing called  
by the Oil and Gas Conservation  
Commission of the State of Arizona  
for the purpose of considering:

CASE NO. 62  
ORDER NO. 56

The application of Chuska Energy Company  
to establish a rule for 160-acre spacing  
in the Black Rock Field, Apache County,  
Arizona

**ORDER OF THE COMMISSION**

This cause was considered at 10:05 A.M. on September 15, 1989 at Phoenix, Arizona by the OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF ARIZONA, hereinafter referred to as the COMMISSION.

The COMMISSION, a quorum being present, having considered the facts presented and being fully advised in the premises, finds as follows:

**FINDINGS:**

(1) THAT the COMMISSION has jurisdiction of the subject matter thereof, pursuant to ARS 27-504 and 27-516 A.12.

(2) THAT adequate geological and engineering data has been presented to the COMMISSION to conclude that the Paradox formation in the subject area is a pool and a separate common source of supply of gas and associated hydrocarbons.

(3) THAT 640-acre spacing will not adequately drain the reservoir, resulting in waste of the resource.

(4) THAT spacing of less than 160 acres per well would result in drilling of unnecessary wells.

Chuska Energy Company  
Page - 2 -

(5) THAT 160 acres is not less than the maximum area that can be effectively drained in an efficient and economical manner by a single well producing gas and associated hydrocarbon from the Paradox formation in subject area.

(6) THAT it is in the best interest of the people of the STATE OF ARIZONA that the application for 160-acre spacing in Black Rock Field, Apache County, Arizona be approved.

THEREFORE the COMMISSION orders:

(1) THAT there be established 160-acre spacing units for the production of gas and associated hydrocarbons in the following area:

T40N-R29E G&SRB&M

Sec 7, W 1/2 and SE 1/4	Sec 18, N 1/2 and SE 1/4
8, S 1/2	20, NE 1/4
9, S 1/2	21, All
15, W 1/2	22, All
16, All	23, SW 1/4
17, All	26, NW 1/4
	27, N 1/2

T40N-R28E G&SRB&M

Sec 1, All	Sec 11, All
Sec 2, All	Sec 12, All

(2) THAT the 160-acre spacing units shall correspond with governmental quarter sections according to the protracted governmental survey of the area.

(3) THAT except as provided in Section 4 below, no gas well shall be drilled closer than 660 feet from the outer boundary of any quarter section, in the area spaced.

(4) THAT the following existing wells are designated as the unit wells for the spacing unit in which they are located even though they are exceptional locations.

O&G Permit #	Name	Spacing Unit
115	Dry Mesa (Texas Pacific) 138-3Navajo	SE 1/4 Sec 2 T40N-R28E
615	Chuska (American Fuels) Black Rock 2 (1Navajo AC)	NE 1/4 Sec 17 T40N-R29E
581	Chuska (Am Fuel, CSO) Black Rock 3 (1-16 Navajo)	NW 1/4 Sec 16 T40-R29E

Chuska Energy Company  
Page - 2 -

(5) THAT 160 acres is not less than the maximum area that can be effectively drained in an efficient and economical manner by a single well producing gas and associated hydrocarbon from the Paradox formation in subject area.

(6) THAT it is in the best interest of the people of the STATE OF ARIZONA that the application for 160-acre spacing in Black Rock Field, Apache County, Arizona be approved.

THEREFORE the COMMISSION orders:

(1) THAT there be established 160-acre spacing units for the production of gas and associated hydrocarbons in the following area:

T40N-R29E G&SRB&M

Sec 7, W 1/2 and SE 1/4	Sec 18, N 1/2 and SE 1/4
8, S 1/2	20, NE 1/4
9, S 1/2	21, All
15, W 1/2	22, All
16, All	23, SW 1/4
17, All	26, NW 1/4
	27, N 1/2

T40N-R28E G&SRB&M

Sec 1, All	Sec 11, All
Sec 2, All	Sec 12, All

(2) THAT the 160-acre spacing units shall correspond with governmental quarter sections according to the protracted governmental survey of the area.

(3) THAT except as provided in Section 4 below, no gas well shall be drilled closer than 660 feet from the outer boundary of any quarter section, in the area spaced.

(4) THAT the following existing wells are designated as the unit wells for the spacing unit in which they are located even though they are exceptional locations.

O&G Permit #	Name	Spacing Unit
115	Dry Mesa (Texas Pacific) 138-3Navajo	SE 1/4 Sec 2 T40N-R28E
615	Chuska (American Fuels) Black Rock 2 (1Navajo AC)	NE 1/4 Sec 17 T40N-R29E
581	Chuska (Am Fuel, CSO) Black Rock 3 (1-16 Navajo)	NW 1/4 Sec 16 T40-R29E

Chuska Energy Company  
Page - 3 -

(5) THAT the producing interval to which this order applies is the Pennsylvanian Paradox formation correlative with the interval 4567 feet to 5558 feet in the well Chuska Energy (American Fuels) Black Rock #2 (1Navajo AC) located in Section 17, T40N-R29E, Apache County, Arizona.

OIL AND GAS CONSERVATION COMMISSION

By J. Dale Nations  
J. Dale Nations, Chairman  
DATE 9/29/89

(SEAL)

ATTEST:

Daniel J. Brennan  
Daniel J. Brennan  
Executive Director  
DATE October 2, 1989



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
1645 WEST JEFFERSON, SUITE 420  
PHOENIX, ARIZONA 85007  
PHONE: (602) 255-5161

December 14, 1983

Mr. John H. McVeagh  
Staff Landman  
Kenai Oil and Gas, Inc.  
One Barclay Plaza  
1675 Larimer Street, Suite 500  
Denver, Colorado 80202

Re: Well No. 34-7 Navajo  
Bond No. 400 CA 0286

Dear Mr. McVeagh:

This will acknowledge receipt of your letter of December 12, 1983,  
requesting release of subject bond.

Thank you for including a copy of the BLM Sundry Report showing that all  
required surface restoration work has been completed and approved.

Your request is approved by this Commission.

If I can be of further assistance, please advise.

Sincerely,

*R. A. Ybarra*  
R. A. Ybarra  
Enforcement Director

/sjb



**Kenai**

RECEIVED

DEC 13 1983

O & G CONS. COMM.

December 12, 1983

Oil and Gas Commission  
State of Arizona  
1645 West Jefferson, Suite 40  
Phoenix, Arizona 85007

Re: 5AR-3295  
Gen File G-12-P  
PERFORMANCE BOND - \$5,000.00  
BIA Lease N00-C-14-20-4436  
Indian, Apache County, Arizona  
T40N, R29E, G&S R.M.  
Section 7: SW $\frac{1}{4}$ SE $\frac{1}{4}$   
Navajo #34-7 Well  
SUNDRY NOTICES AND REPORTS ON WELLS

Gentlemen:

The Navajo 34-7 Well was plugged and abandoned in March, 1983 and rehabilitation was completed on November 3, 1983, per copy of the attached notice.

Kenai Oil and Gas Inc. hereby respectfully requests the Oil and Gas Commission to RELEASE the \$5,000.00 Performance Bond covering the captioned well.

Very truly yours,

KENAI OIL AND GAS INC.

*John H. McVeagh*

John H. McVeagh  
Staff Landman

JHM/ljs  
Attachment

cc: Walsh, Moore, Garrett-Bromfield, Inc.  
Attn: Patsy Fry  
Don Osmus

KENAI OIL AND GAS INC.

ONE BARCLAY PLAZA / 1675 LARIMER STREET / SUITE 500 / DENVER, COLORADO 80202 / PHONE (303) 893-3392



United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Drawer 600  
Farmington, New Mexico 87401

RECEIVED

OCT 3 1983

O & G CONS. COMM.

9/29/82

DRS  
RAY

Kenai Oil & Gas Inc.

1675 Larimer Street

Denver, CO 80202

Well No. 34-7 Navajo

Lease No. 1620-C-14-20-4436

Location 1100 FSL - 2050 FEL  
Sec 7, T40N, R29E  
Apache County, AZ

Gentlemen:

The attached surface rehabilitation requirements, supplied by the surface managing agency, must be completed for the permanent abandonment of this well location. Please notify this office upon completion of the surface rehabilitation operations.

R. J. Bingham  
District Oil and Gas Supervisor  
Asst. Area Manager  
(Acting)



United States Department of the Interior

GEOLOGICAL SURVEY  
P. O. Box 959  
Farmington, New Mexico 87401

Date

Memorandum

RECEIVED  
SEP 13 1983

To: *B.I.A., Shiprock*

From: USGS District Office, Farmington, New Mexico

Subject: Transmittal of Intention to Plug and Abandon

Date 9/7/83 Lease Number 100-C-14-20-4436

Operator Kenai Oil & Gas sec. 17 T. 40 N R. 29 E

Well No. & Name 34-7 Navajo Footage 1100 ESL 2050 EEL  
Apache Co Ariz

If the surface rehabilitation stipulations specified in the Application for Permit to Drill are adequate for permanent abandonment, please acknowledge in the space below and return a copy to this office.

If any additional rehabilitation stipulations are needed for abandonment of the well site, please acknowledge below and attach the additional requirements to our copy.

We will forward any special stipulations to the operator when received.

☐ The surface rehabilitation requirements set forth in the Application for Permit to Drill are sufficient for the permanent abandonment of this well location.

☒ The attached surface rehabilitation requirements are necessary for permanent abandonment.

Date 8 September 1983

*Jerry L. Thomas*  
Agency Representative

SKA -  
file  
chron

SURFACE REHABILITATION REQUIREMENTS  
for P & A WELLS

COMPANY Kenai Oil & Gas

WELL# 34-7 Alaska

The following requirements apply if checked:

- ☐ Oil Spillage must be cleaned up and buried or removed to an appropriate landfill.
- ☒ Debris must be removed from the location. Cable wire and ripples
- ☐ Pit must be filled and leveled.
- ☐ Pad and/or access road must be leveled, disced and prepared for seeding. Seed will be drilled at a depth of  $\frac{1}{4}$  to  $\frac{1}{2}$  inch or broadcast and followed by a drag or packer.
- ☐ Disturbed areas will be seeded with the following seed mix.

SPECIES

Lbs./Acre/PLS

- 1.
- 2.
- 3.
- 4.
- 5.

Purity X Germination = Pure Live Seed (PLS). If broadcast, the above seed mix will be used at 150% of the recommended rate. If, in the opinion of the surface management agency, the seeding is unsuccessful, the lessee/operator may be required to make subsequent seedings until revegetation is successful.

☒ Other

- 1) Water bar access road to this location. These waterbars should be constructed and spaced at intervals of 200 feet or less, starting at the entrance of this well pad and work towards the nearest P&A location which is approximately 800 feet east from this location.



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
1645 WEST JEFFERSON, SUITE 420  
PHOENIX, ARIZONA 85007  
PHONE: (602) 271-5161

August 24, 1983

Kenai Oil and Gas, Inc.  
717 Seventeenth Street  
Suite 2000  
Denver, Colorado 80202

RE: Kenai Oil and Gas, Inc.  
Well No. 34-7 Navajo  
Bond No. 400 GA 0286  
Apache County

Gentlemen:

This will acknowledge receipt of your letter of August 3, 1983, requesting release of subject drilling bond.

I was in the area on August 14th and unfortunately was unable to find the well. However, I did talk to the BLM people in Farmington and they told me that the surface has not been restored as required.

We will wait until the site is restored and approved by the BLM before we release the bond.

If you have any questions on this matter, please call.

Sincerely,

*R. A. Ybarra*  
R. A. Ybarra  
Enforcement Director

/bha

**Kenai**

August 3, 1983

RECEIVED

AUG 8 1983

O & G CONS. COMM.

*AKD*  
*RFY*  
*Something*  
*else you*  
*and Herb can*  
*check out.*  
*AKD*

Oil and Gas Commission  
State of Arizona  
1645 West Jefferson, Suite 40  
Phoenix, Arizona 85007

Re: 5AR-3295  
G-12-P  
PERFORMANCE BOND - \$5,000.00  
Indian Lease N00-C-14-20-4436  
Indian, Apache County, Arizona  
T40N, R29E, G.S.R.M.  
Section 7: SW1/4SE1/4  
Navajo #34-7 Well

Gentlemen:

The Navajo 34-7 Well was plugged and abandoned in March, 1983 and rehabilitation on the Navajo 34-7 well was completed during the week of July 15, 1983.

Kenai Oil and Gas Inc. hereby respectfully requests the Oil and Gas Commission to RELEASE the \$5,000.00 Performance Bond covering the captioned well.

Very truly yours,

KENAI OIL AND GAS INC.

*John H. McVeagh*

John H. McVeagh  
Staff Landman

JHM/ljs

cc: Walsh, Moore, Garrett-Bromfield Inc.  
Attention: Ms. Joan Armstrong  
Don Osmus

8-8-83

*John Keller / Ybarra*  
*Well site has not been re-*  
*stored & it looks like it will*  
*be next year before it is*  
*completed. Mud pit contains*  
*much dry mud (wet) &*  
*seeding will not be approved*  
*until certain growth has*  
*taken place. I will check*  
*this site on my visit to the*  
*Nth States well in the Trec*  
*Nos Pos*



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA

1645 WEST JEFFERSON, SUITE 420  
PHOENIX, ARIZONA 85007  
\*PHONE: (602) 271-5161

April 19, 1983

Kenai Oil & Gas, Inc.  
Energy Center One, Suite 2000  
717 -17th Street  
Denver, Colorado 80202

Re: Kenai Oil and Gas, Inc.  
Well No. 34-7 Navajo  
Black Rock Field  
Apache County, Arizona

Gentlemen:

I note in the Monthly Producers Report for March, 1983, that subject well was plugged and abandoned on March 10th.

Please be advised that all proposed well work, abandonment plugging included, must be filed with, and approved by the Oil and Gas Conservation Commission, as per Rule 12-7-126 (B) which reads in part: "Before any work is commenced to abandon any well drilled...the owner or operator thereof shall, prior to the beginning of operations of plugging the well, give written notice...to abandon such well."

To ensure that we have a complete file, please complete the enclosed forms and forward them to this office. Your cooperation in this matter will be appreciable.

Please call me if you have any problem with this request.

Thank you!

Sincerely,

*R. A. Ybarra*  
R. A. Ybarra  
Enforcement Director

RAY:bg  
Enclosures FORMS 89 + #10

8717

August 26, 1981

Kenai Oil & Gas  
Energy Center One, Ste. 2850  
717 - 17th Street  
Denver, Colorado 80202

Attention: Dorothy R. Dobson  
Administrative Assistant

Dear Ms. Dobson:

Attached is the July production report for the Navajo 34-7 well. Please correct this report to show the Mcf of gas produced and the disposition of this gas. You will note that gas disposition codes are listed at the bottom of the monthly report form.

We will appreciate your sending one copy of the corrected report as soon as possible. Thank you for your cooperation in this matter.

Very truly yours,

A. K. Doss  
Executive Director

/os  
Att.



August 19, 1981

Mr. George B. Judd  
Manager, Drilling & Production  
Kenai Oil & Gas Inc.  
2000 Energy Center One  
717 - 17th Street  
Denver, Colorado 80202

Re: Kenai 34-7 Navajo  
State Permit 717

Dear Mr. Judd:

To comply with Commission Rule 119, please complete and return one copy of the enclosed well completion report for the 34-7 Navajo well.

Thank you for your cooperation in this matter.

Very truly yours,

A. K. Doss  
Executive Director

/os

*mailed 8-26-81 after AK signed.*

April 13, 1981

Kenai Oil & Gas Inc.  
2000 Energy Center One  
717 - 17th Street  
Denver, Colorado 80202

Re: Kenai Oil & Gas 34-7 Navajo  
State Permit 717

Gentlemen:

Your last report dated March 26, 1981, indicated that the above referenced well was placed on production on March 26. As of this date we have not received a completion report on this well. Please forward this report as quickly as possible.

Also, if this well was on production during the month of March, please submit production report (form 16) and submit this report monthly thereafter. Reports should be received by this office no later than the 25th of the following month.

Thank you for your cooperation.

Very truly yours,

W. E. Allen  
Executive Secretary

WEA:os  
Enc.

4-28-81 Mailed Form 8 Cert of Compl.  
- 16 Prod.  
to Geo. B. Judd, mgr. Drilling & Prod.

2-3-81

TO FILE

TRAIKED to Mr.

DENIRO today.

REQUESTED he

sign & send bond

Application immediately

He said he would

wait to day - 2-3-81

flory

Signed copy of  
bond received

2-6-81. Approved  
copy returned 2-6-81

January 22, 1981

Kenai Oil & Gas, Inc.  
2000 Energy Center One  
717 - 17th Street  
Denver, Colorado 80202

Re: Kenai Oil & Gas 34-7 Navajo  
Permit No. 717

Gentlemen:

Please find enclosed the drilling permit for the above-captioned well in Apache County and other pertinent information.

As noted in the progress requirements, we must be advised of the anticipated spud date. The weekly drilling report may be submitted on our Form No. 25 Sundry Report.

Yours truly,

Don Whittaker  
Director  
Enforcement Section

DW:os  
Enc.

*copy to Pohlman + Assoc  
with copy of permit + app to drill*

**Kenai**

January 19, 1981

RECEIVED

JAN 21 1981

O & G CONS. COMM.

Oil & Gas Commission  
State of Arizona  
1645 West Jefferson  
Suite 420  
Phoenix, AZ 85007

Re: File #3295  
G-12P  
Navajo Well #34-7  
Indian Lease No. N00-C-14-20-4436

Gentlemen:

For the above well, enclosed is our Performance Bond in the amount of \$5,000.00, St. Paul Fire and Marine Insurance Company, Surety and Kenai Oil and Gas Inc., Principal.

Very truly yours,

KENAI OIL AND GAS INC.

*Patrick J. DeNiro*  
Patrick J. DeNiro  
Contracts Attorney

PJD:ec

Enclosures

1-21-81

*One copy returned for signature by Kenai Oil & Gas Inc*

KENAI OIL AND GAS INC.

ENERGY CENTER ONE / 717 SEVENTEENTH STREET / SUITE 2000 / DENVER, COLORADO 80202 / PHONE (303) 893-3392

## ORGANIZATION REPORT

RECEIVED

JAN 22 1981

Full Name of the Company, Organization, or Individual

KENAI OIL AND GAS INC.

O &amp; G CONS. COMM.

Post Office Address (Box or Street Address)

2000 Energy Center One Bldg., 717 17th Street, Denver, Colorado 80202

Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)

Corporation

Purpose of Organization (State type of business in which engaged)

Exploration of oil and gas.

If a reorganization, give name and address of previous organization.

None

If a foreign corporation, give  
(1) State where incorporated

Not foreign

(2) Name and post office address of state agent

(3) Date of permit to do business in state

Principal Officers or Partners (if partnership)  
NAME

TITLE

POST OFFICE ADDRESS

William M. Booth, Jr.

President

717 17th Street, Ste. 2000  
Denver, CO 80202

Joseph R. Mazzola

Vice President-Exploration

Same as above

Eugene R. Manthey

Vice President-Land

Same as above

Thomas B. Foster

Director of Finance

Same as above

DIRECTORS NAME

POST OFFICE ADDRESS

William H. Haber, Chairman

477 Madison Ave., New York City, NY 10022

Joel Friedman

William M. Booth, James (All at the same New York address)

Michael R. Green Milfred L. Lewis

C.T. Whitney, Jr. Marvin H. Green, Jr.

Leo Silverstein Benjamin R. Jacobson

John Simon

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the Vice President of the  
Kenai Oil and Gas Inc. (company), and that I am authorized by said company to make this report; and that this  
report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

Joseph R. Mazzola

Vice President - Exploration

Date

January 21, 1981

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSIONOrganization Report  
File One Copy

Form No. 1

**PERFORMANCE BOND**

KNOW ALL MEN BY THESE PRESENTS

Bond Serial No. 400GA 0286

That we: KENAI OIL & GAS, INC., 717 17th Street, Suite 2000, Denver, Colorado 80202

of the County of Denver in the State of Colorado

as principal, and ST. PAUL FIRE AND MARINE INSURANCE COMPANY

of St. Paul, Minnesota

RECEIVED

JAN 21 1981

O & G CONS. COMM.

AUTHORIZED TO DO BUSINESS WITHIN the State of Arizona.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of Five Thousand and No/100 (\$5,000.00) lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation are that, whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State, to-wit:

S.W.S.E. 7, Twp. 40 Rege G.S.R.M #34-7 India, Apache, Arizona

(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the Commission, especially with reference to the requirements of A.R.S. §27-515, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil and Gas Conservation Commission all notices and records required by said Commission, then in the event said well or wells do not produce oil or gas in commercial quantities, or cease to produce oil or gas in commercial quantities, this obligation is void; otherwise it shall remain in full force and effect.

Whenever the principal shall be, and declared by the Oil and Gas Conservation Commission in violation of the Laws of this State and the rules, regulations and orders of the Commission, the surety shall promptly:

1. Remedy the violation by its own efforts, or
2. Obtain a bid or bids for submission to the Commission to remedy the violation, and upon determination by the Commission and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Commission, and make available as work progresses sufficient funds to pay the cost of remedying the violation; but not exceeding, including other costs and damages for which the surety may be liable hereunder, the amount set forth in the first paragraph hereof.

Liability under this bond may not be terminated without written permission of this Commission.

WITNESS our hands and seals, this 16th day of January, 1981

KENAI OIL & GAS, INC.

BY: Eugene R. Manthey  
Eugene R. Manthey, Vice President - Land

WITNESS our hands and seals this 16th day of January, 1981

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

BY: Daniel S. Finholm  
Daniel S. Finholm, Attorney-in-Chief

John C. Hammer  
John C. Hammer  
Phoenix, Arizona  
Surety, Resident Arizona Agent  
(If issued in a state other than Arizona)

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved Date: FEB 6 1981  
STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
By: Ken Manthey

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Bond  
Form No. 2

Permit No. 717

Class 1

(A Capital Stock Company)

**CERTIFIED COPY OF POWER OF ATTORNEY**  
Original on File at Home Office of Company. See Certification.

**FIDELITY AND SURETY  
DEPARTMENT**

**ST. PAUL  
FIRE and MARINE  
Insurance Company**  
HOME OFFICE: ST. PAUL, MINNESOTA

KNOW ALL MEN BY THESE PRESENTS: That the St. Paul Fire and Marine Insurance Company, a corporation organized and existing under the laws of the State of Minnesota, and having its principal office in the City of Saint Paul, Minnesota, does hereby constitute and appoint

**Daniel S. Finholm**

**Denver, Colorado**

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said St. Paul Fire and Marine Insurance Company, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be certified to and may be revoked, pursuant to and by authority of Article V, —Section 6(C), of the By-Laws adopted by the Board of Directors of the ST. PAUL FIRE AND MARINE INSURANCE COMPANY at a meeting called and held on the 23rd day of January, 1970, of which the following is a true transcript of said Section 6(C).

"The President or any Vice President, Assistant Vice President, Secretary or Resident Secretary, shall have power and authority

(1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and

(2) To appoint Special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-Laws of the Company, and

(3) To remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 6th day of May, 1959, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN TESTIMONY WHEREOF, the St. Paul Fire and Marine Insurance Company has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 2nd

day of October A. D. 19 73

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

STATE OF MINNESOTA  
County of Ramsey

} ss.

*[Signature]*  
Vice President.

On this 2nd day of October 1973, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he is the therein described and authorized officer of the St. Paul Fire and Marine Insurance Company; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the City of Saint Paul, Minnesota, the day and year first above written.

C. L. JAEGER  
Notary Public, Ramsey County, Minn.  
My Commission Expires June 2, 1974.

**CERTIFICATION**

I, the undersigned officer of the St. Paul Fire and Marine Insurance Company, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 16th day of January 1981

*[Signature]*  
Secretary.

\*Unlimited as to character and amount.





Telegram

PFA456(1849)(4-055963SC2G)PD 01/20/81 1846

ICS IPMENGZ CSP

3036237245 IDEN DENVER CO 33 01-20 0646P EST

PMS DCN WHITAKER, ARIZONA OIL AND GAS COMMISSION, DLR

1645 WEST JEFFERSON SUITE 420

PHOENIX AZ 85007

THIS IS TO CONFIRM BOND NUMBER 400GA-0286 ISSUED IN THE AMOUNT OF  
5,000 DOLLARS BY KENAI OIL AND GAS INC. DENVER COLORADO EFFECTIVE  
JANUARY 16, 1981. BOND COUNTERSIGNED BY JOHN HAMMER PHOENIX ARIZONA.

DANIEL S FINHOLM ATTORNEY IN FACT ST PAUL FIRE AND MARINE

NNNN

RECEIVED

JAN 21 1981

O & G CONS. COMM.

KENAI O & G  
30-KENAI-7  
Sec 1-40N-29E

1-20-81

TO FILE

Verbal permission given to  
M. Seeling with Pohlman & Associates,  
agent for Kenai granting permission  
to make rig in an Kenai's location  
in Apache County. Application to drill  
bond, organization chart are being  
submitted. If not received in  
this office within 10 days a desist  
order will be issued to halt  
drilling operations. Kenai advised  
that bond was mailed from Denver  
Jan-19th -81. Requested there bonding  
Company confirm that bond has  
been issued.

July 10, 1980

George B. Judd, Manager  
Drilling & Production  
Kenai Oil & Gas Inc.  
717 - 17th St., Ste. 2000  
Denver, Colorado 80202

Dear Mr. Judd:

Please find enclosed the forms requested in your letter of July 7. On May 20 we received a phone call requesting state forms and a copy of our rules and regulations, which were sent out the same day. It is possible you did not receive these since we have not received remittance for the copy of the rules and regulations. If this is the case and you would like a copy, please advise.

We are including an order form for the publications available from this office. If we can be of further assistance, please do not hesitate to call.

Yours truly,

Don Whittaker  
Director  
Enforcement Section

DW:os  
Enc.

*Per phone call 1-16-81  
marked bond & agency, Regt. Jerns  
& progress report & sample Penetration  
to Rodmary Mazzini*

**Kenai**

RECEIVED

JUL 9 1980

O & G CONS. COMM.

July 7, 1980

Arizona Oil & Gas Conservation Comm.  
1645 West Jefferson, Ste. 420  
Phoenix, Arizona 85007

Gentlemen:

Would you please send us copies of the following forms:

Form 4 Well Completion or Re-Completion  
Form 2 Bond  
Form 25 Sundry Notice

Please mail them to: Mr. George B. Judd  
Manager - Drilling and Production  
Kenai Oil and Gas Inc.  
717 17th Street, Ste. 2000  
Denver, CO 80202

Thanking you in advance.

Sincerely,

*Rosemary A. Mazzei*  
Rosemary A. Mazzei  
Drilling & Production Dept.

255-

May 20, 1980

Kenai Oil & Gas Co.  
717 - 17th St., Ste. 2000  
Denver, Colorado 80202

Gentlemen:

Please find enclosed the forms necessary to initiate operations in Arizona for the drilling for oil or gas. We also are including a copy of the state rules and regulations and order form for other publications that are available. We do require remittance with all orders; however, this time we are invoicing you for the rules and regulations pamphlet.

We are looking forward to your entry in our state for the exploration of oil or gas. If we can assist you in any way, please advise.

Yours truly,

Don Whittaker  
Director  
Enforcement Section

DW:os  
Enc.

*page to direct  
found  
arguing.  
R+R*